

Computation of Stock and Gold Limits – An Example

Ordinary Account balance	\$50,000
Net amount withdrawn for investment	\$12,000
Net amount withdrawn for education	\$10,000
Cost of stock investment	\$10,000
Cost of gold investment	\$ 1,000
CPF Investment Account balance (with agent bank)	\$10,000

	\$
Ordinary Account balance	50,000
Net amount withdrawn for investment ¹	12,000
Net amount withdrawn for education	10,000
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Investible savings ²	<u>72,000</u>
35% of investible savings	25,200
Less: Cost of stock investment	10,000
Available 35% stock ³ limit	15,200
10% of investible savings	7,200
Less: Cost of gold investment	1,000
Available 10% gold limit	6,200
Ordinary Account balance	50,000
Less: Shortfall in Retirement Account ⁴	10,000
Less: Amount reserved as the first \$20,000 in OA ⁵	10,000
CPF Investment Account balance	10,000
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Available balance ⁵	<u>40,000</u>

The amount available for stock will be \$15,200 which is the lower of (a) stock limit of \$15,200 or (b) available balance of \$40,000.

The amount available for gold will be \$6,200 which is the lower of (a) gold limit of \$6,200 or (b) available balance of \$40,000.

Before investing, please check your CPFIS Statement and take into account any investment transactions that have yet to be settled to determine the amount available for investment.

Notes:

1. The net amount withdrawn for investment is the amount withdrawn for all investments less refunds under CPFIS-OA and Special Discounted Shares Scheme. If the amount is negative (i.e. withdrawals less than refunds), it will be set to zero.
2. This is updated on the 11th of every month, based on the balances at the end of the previous month. The update will be on the 12th if 10th is a Sunday/Public Holiday.
3. The stock limit applies to shares, property funds and corporate bonds.
4. Applicable to members aged 55 and above only.
5. From 1 April 2008, you cannot invest the first \$20,000 in your Ordinary Account. The shortfall in your Retirement Account form part of \$20,000 to be set aside.