

A Comparison between MOE Tuition Fee Loan and CPF Education Loan Scheme

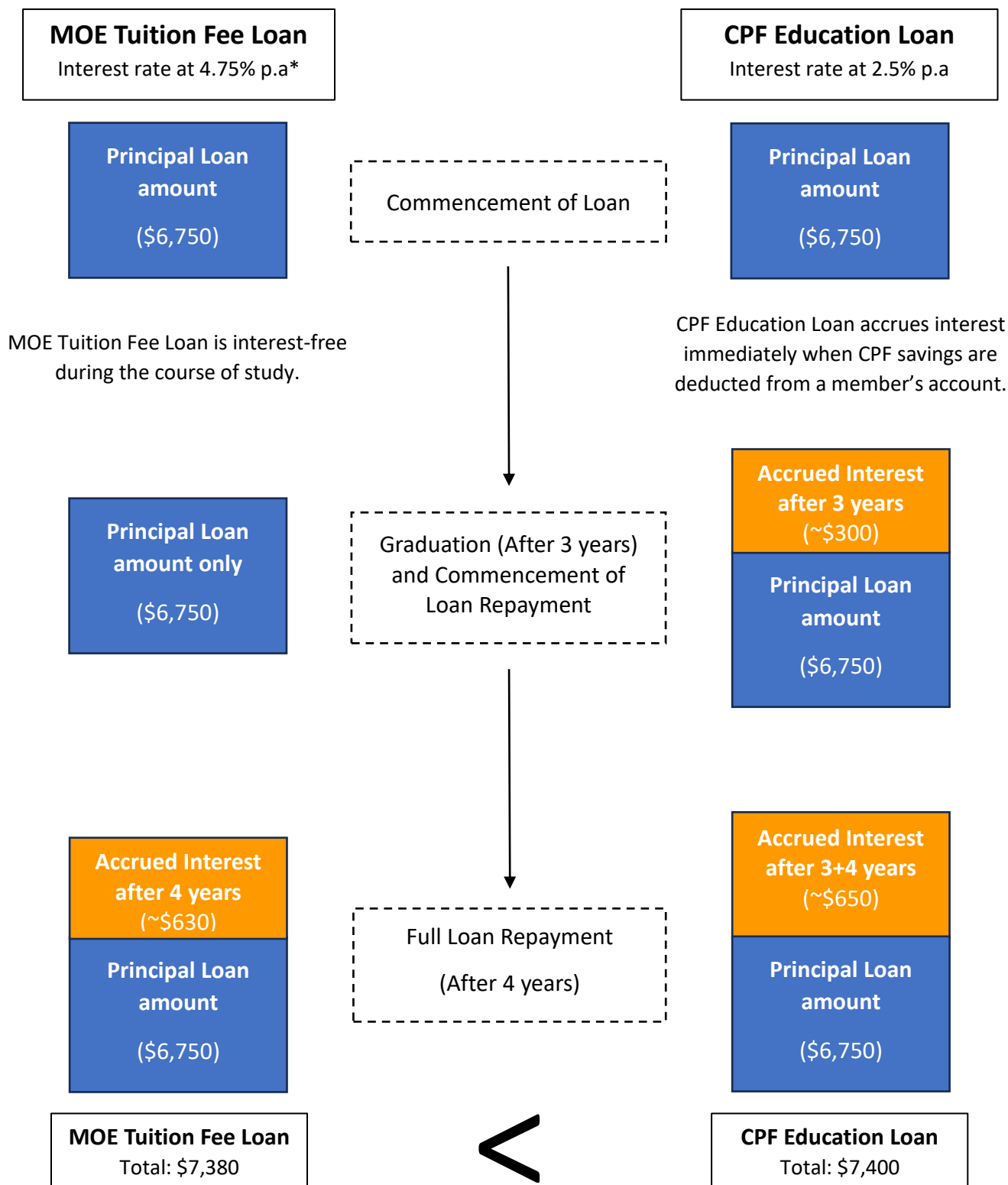
In this illustration, we use a **three-year diploma course** with total tuition fees of about \$9,000.

For a like-to-like comparison with the MOE Tuition Fee Loan scheme, we assume the loan quantum is \$6,750 which is approximately 75% of the total course fees.

The illustration shows that besides interest rates, you should also consider when the interest starts to accrue and how long the intended repayment period is.

SCENARIO 1

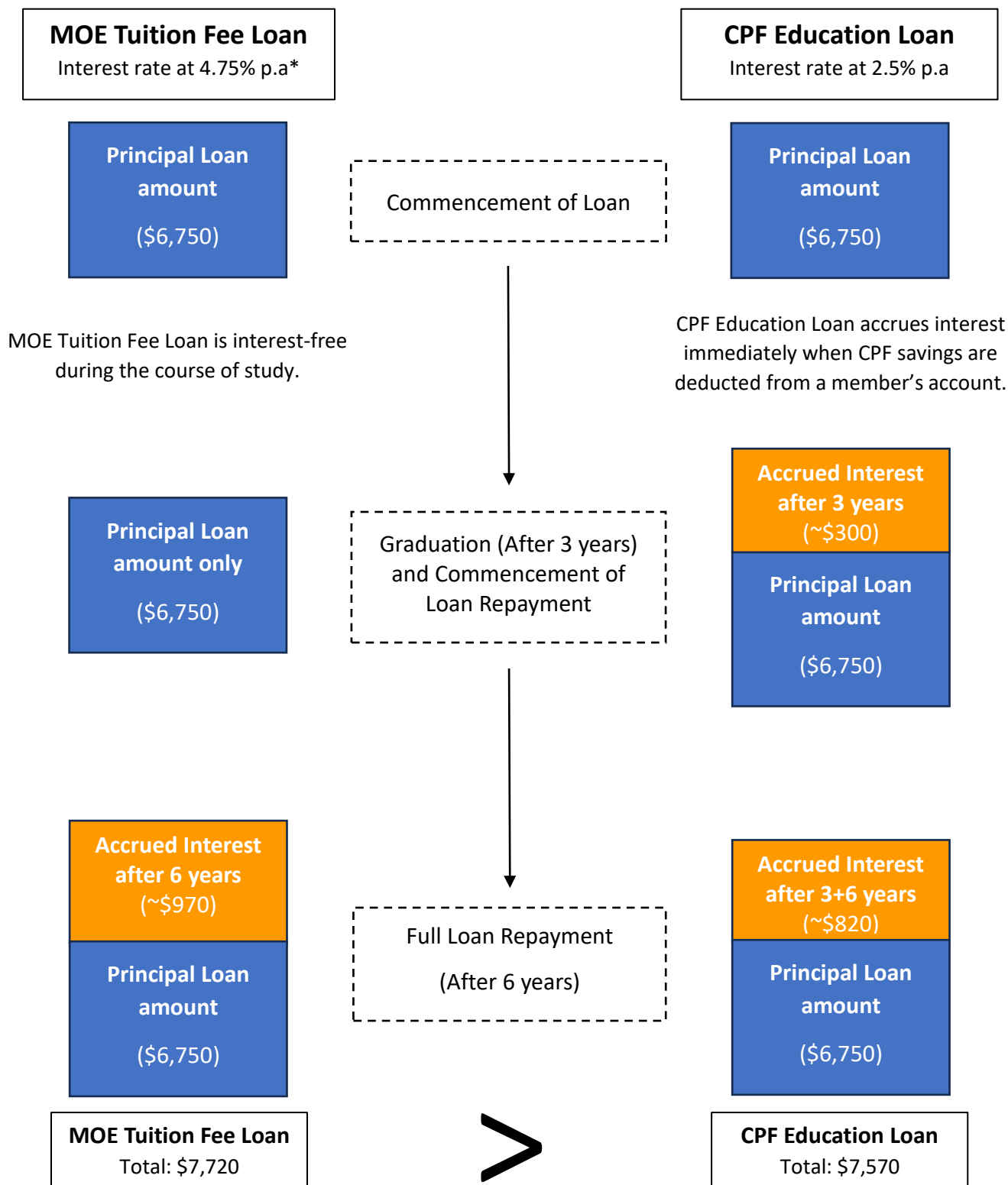
If full repayment is made within 4 years from graduation at a monthly instalment of about \$160, **the MOE Tuition Fee Loan will be the cheaper option.**



*Examples used serve illustrative purposes with an interest rate of 4.75% per annum. For MOE Tuition Fee Loans signed on or after 1 April 2024, interest rates are based on the 3-month compounded Singapore Overnight Rate Average (3M SORA) plus 1.5 percentage points, subject to periodic adjustments by the bank on a half-yearly basis. Please check the official bank website ([DBS](#) or [OCBC](#)) for current rates to ensure accurate calculations.

SCENARIO 2

If full repayment is made within 6 years from graduation at a monthly instalment of about \$110, **the CPF Education Loan will be the cheaper option.**



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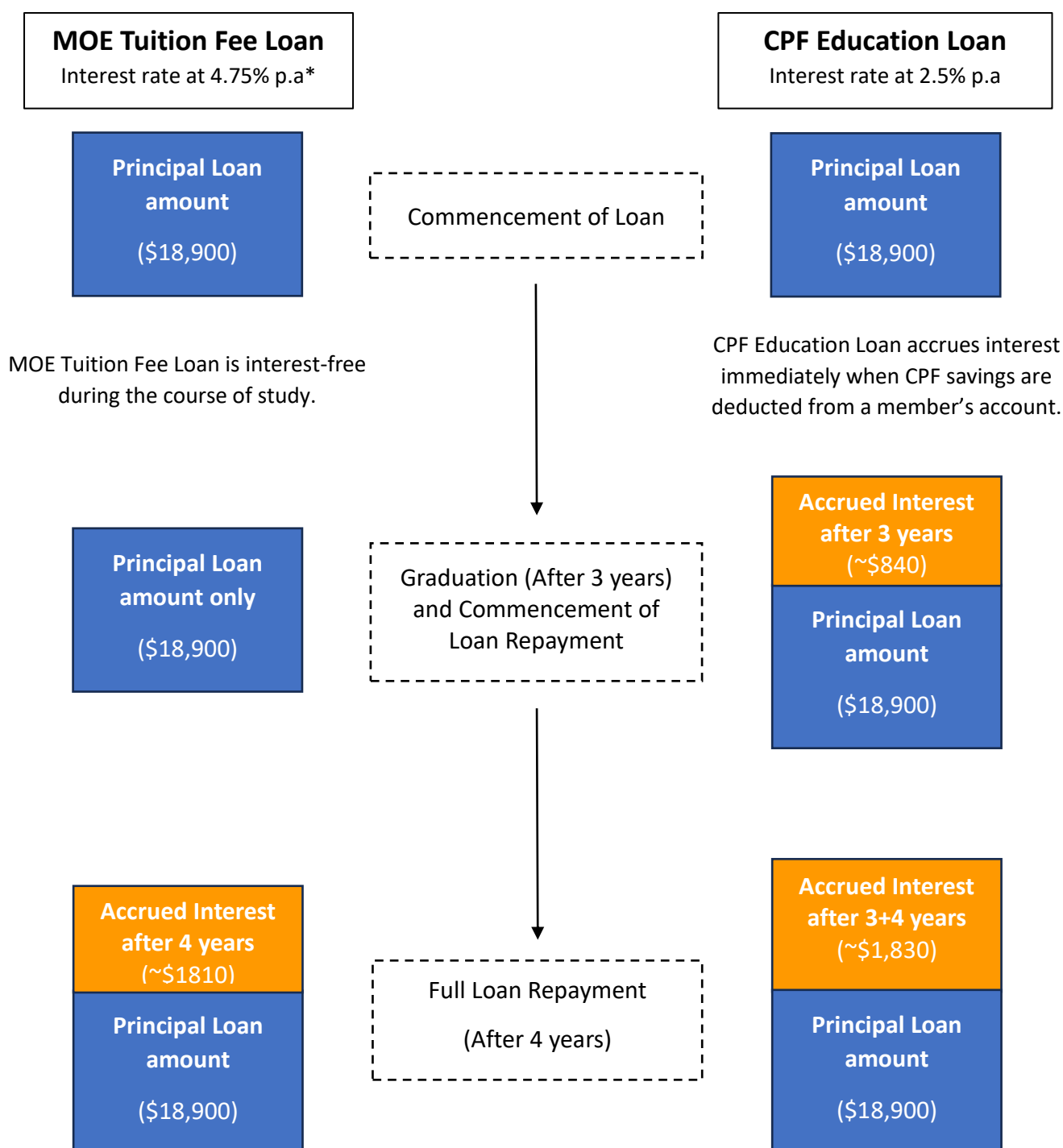
In this illustration, we use a **three-year University degree course** with total tuition fees of about \$21,000.

For a like-to-like comparison with the MOE Tuition Fee Loan, we assume the loan quantum is \$18,900 which is approximately 90% of the total course fees.

The illustration shows that besides interest rates, you should also consider when the interest starts to accrue and how long the intended repayment period is.

SCENARIO 1

If full repayment is made within 4 years from graduation at a monthly instalment of about \$440, **the MOE Tuition Fee Loan will be the cheaper option.**



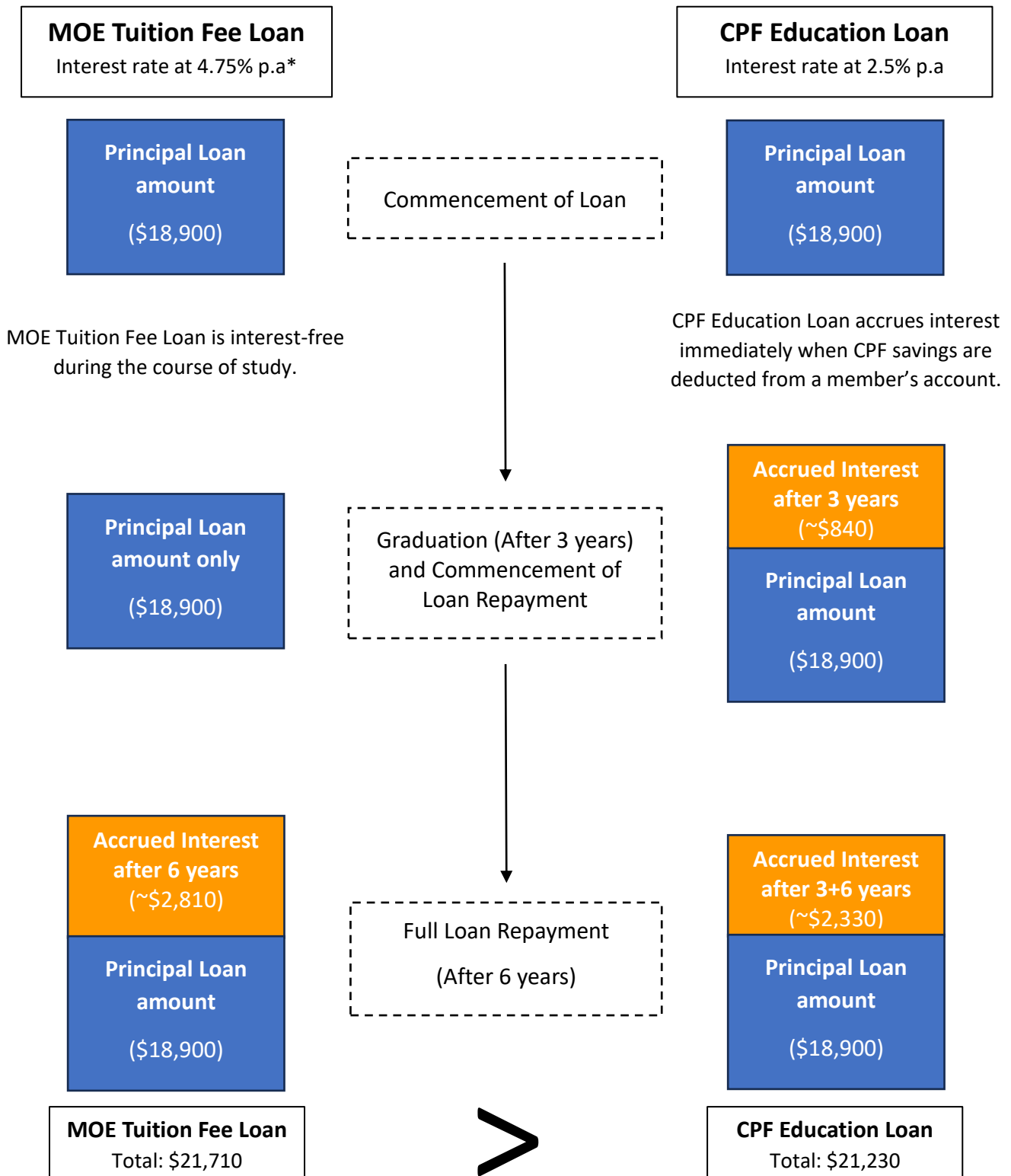
MOE Tuition Fee Loan
Total: \$20,710

CPF Education Loan
Total: \$20,730

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SCENARIO 2

If full repayment is made within 6 years from graduation at a monthly instalment of about \$300, **the CPF Education Loan will be the cheaper option.**



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