

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Net amount withdrawn for investment	\$12,000
Net amount withdrawn for education	\$10,000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Net amount withdrawn for investment 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Net amount withdrawn for education	10,000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

<sup>1</sup> The net amount withdrawn for investment is the amount withdrawn for all investments less refunds under CPFIS-OA and Special Discounted Shares Scheme.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.

<sup>2</sup> 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.

<sup>3</sup> The stock limit applies to shares, property funds and corporate bonds.

<sup>4</sup> Applicable to members aged 55 and above only.

<sup>5</sup> 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.

<sup>6</sup> It will take one working day for any proceeds that are credited to your CPF Investment Account (e.g. SGS bond/T-bill maturity proceeds) to be reflected in your investible savings.