

GIGANTIQ Review: Get 1.80%* p.a. (or higher if you add insurance riders)

Description

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Where can you earn 1.80% p.a. in this current interest rate environment? Check out GIGANTIQ from Tiq by Etiqa, which has recently been enhanced to offer low-cost insurance riders for those who havenâ??t been able to find affordable options to resolve their coverage gaps amidst this crisis. If you add on any insurance rider, youâ??ll also get rewarded with bonus interest.*

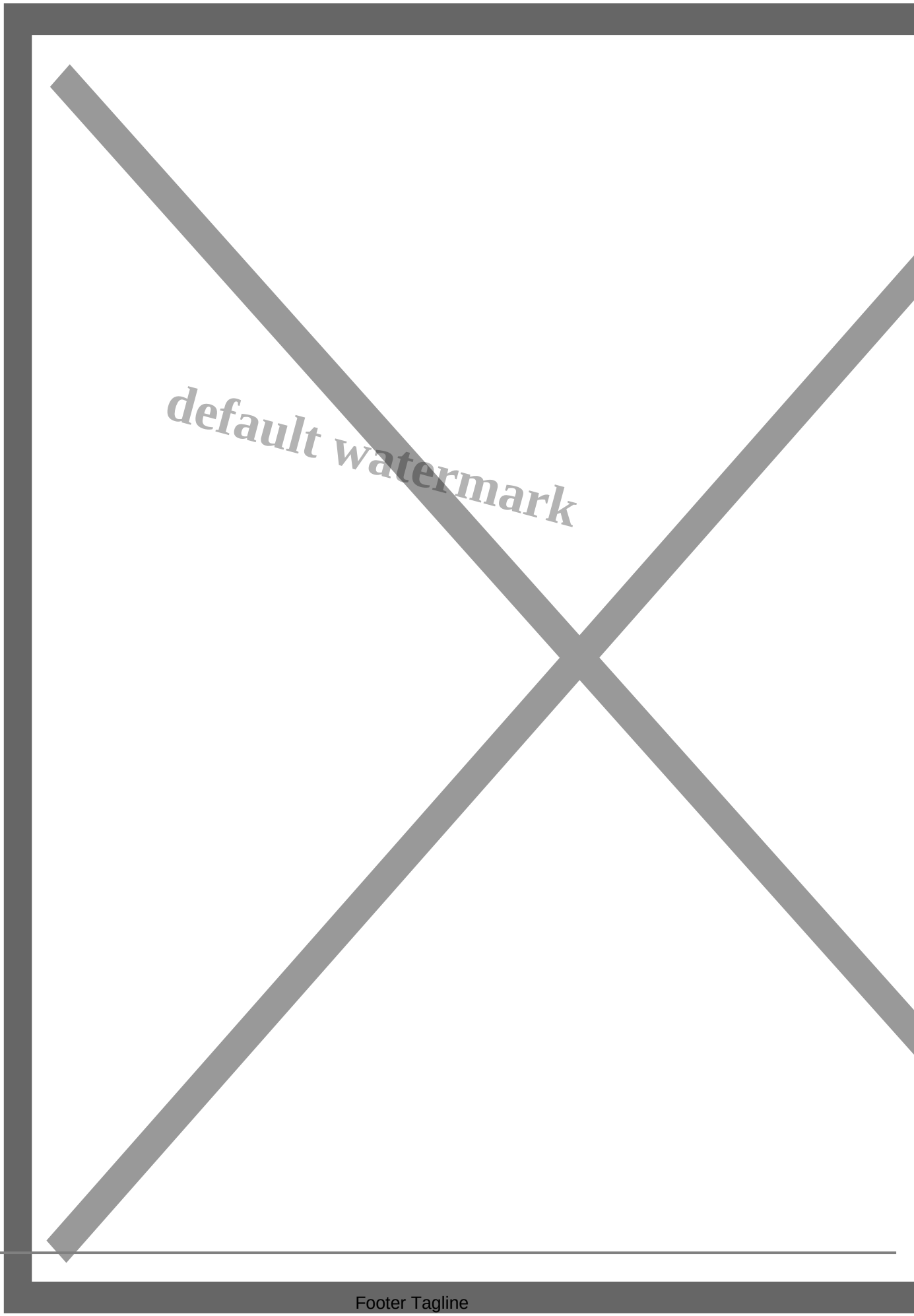
It is pretty clear by now that global interest rates will likely stay low for the next few years, which has caused most savers to look out for alternative instruments offering higher returns without having to risk their money.

At **1.80%* p.a. for your first $10,000 for the first year**, GIGANTIQ could be a compelling solution to look at.

Whatâ??s more, with their newest enhancements, **you can now potentially boost your interest rate earned of up to 2.55%^ p.a.** should you choose to add on any of the (optional) life insurance riders.

Note that this additional interest is only applicable to your first $10,000, as any amount higher than that in your account value will earn 1.00% p.a. for the first year.

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There are **no lock-ins**[1] with this flexible insurance savings plan, and your **capital is guaranteed** so you donâ??t have to worry about any drawdowns.

There are currently 3 types of optional insurance riders to choose from:

- Major Cancer
- Accidental Death
- Death and Total & Permanent Disability (TPD)

For every insurance rider you add, you can boost your interest rate by up to another 0.25% p.a., which means that opting for all 3 can give you a total of 1.8% + (0.25% x 3) = **2.55% p.a^.**

Of course, it goes without saying that you should only be buying insurance riders for the type of coverage you need.

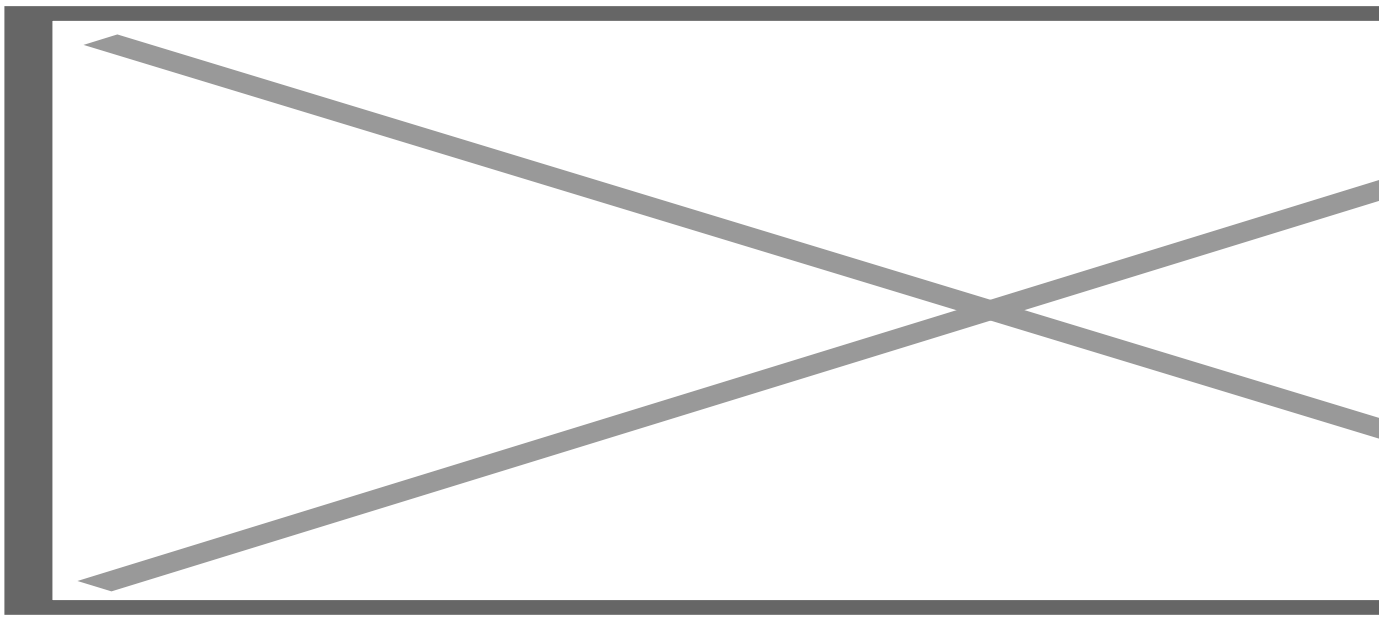
Also bear in mind that **these should not be a substitute for your primary insurance base.** Rather, theyâ??re designed as supplemental add-ons for those who are looking to increase their coverage levels due to higher financial responsibilities.

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Are the insurance premiums competitive?

This was the first question I had when I was reviewing this product, because if the premiums are expensive in relation to the level of coverage offered, then I would just say DO NOT add on the insurance. After all, it is foolish to be spending more on insurance just for a higher interest rate, especially if thatâ??s capped to your first $10,000 in account value. The math will hardly work out.

Which is why it was a nice surprise when I saw how **affordable** the premiums are. Just take a look at this example below:



The minimum sum insured starts from $10,000, and you can increase this in multiples of $1,000 until you feel youâ??re sufficiently covered for what you need.

Click here if youâ??ll like to view the respective policy documents (like I did) on Major Cancer, Accidental Death and Death+TPD. I did a quick read across all 3 and these are the most important notes I made that you might want to bear in mind as well:

- Major Cancer: *falls under the Life Insurance Association (LIA) Singaporeâ??s standard definitions for **37 severe-stage critical illnesses**, version 2019.*
- Accidental Death: ***does not cover death by COVID-19 or dengue**, or any accidents caused by alcohol, illnesses, pregnancy complications, participation in hazardous activities, illness or disease, animal or insect bites, self-inflicted injuries or suicides.*
- Death + TPD: *TPD is defined as any disability that lasts continuously for at least 180 days, cannot do at least 3 out of 6 ADLs without assistance and which is expected to last throughout your life and where you cannot perform any work or occupation.*

Please refer to the respective Policy Provisions for more information specific to each rider.

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Can I realistically expect 1.80% to 2.55% p.a.?

The next question I had was whether the headline rate of 1.80 â?? 2.55% p.a. was achievable for most of us. To find out, I ran a few simulations that were more relevant to my personal circumstances.

You can also find out your own interest rate by toggling on the Tiq by Etiqa mobile app.

Rates for a 28-year-old female, non-smoker

I checked how the rates would stack up for a female accountant aged 28, non-smoker and got these:

$10,000 *Sum Insured*	Major Cancer	Accidental Death	Death + TPD
Insurance Premium	$0.06 per day*(~$22 / year)*	$0.02 per day*(~$7 / year)*	$0.03 per day*(~$11 / year)*
Additional Interest	0.05% p.a.	0.02% p.a.	0.02% p.a.

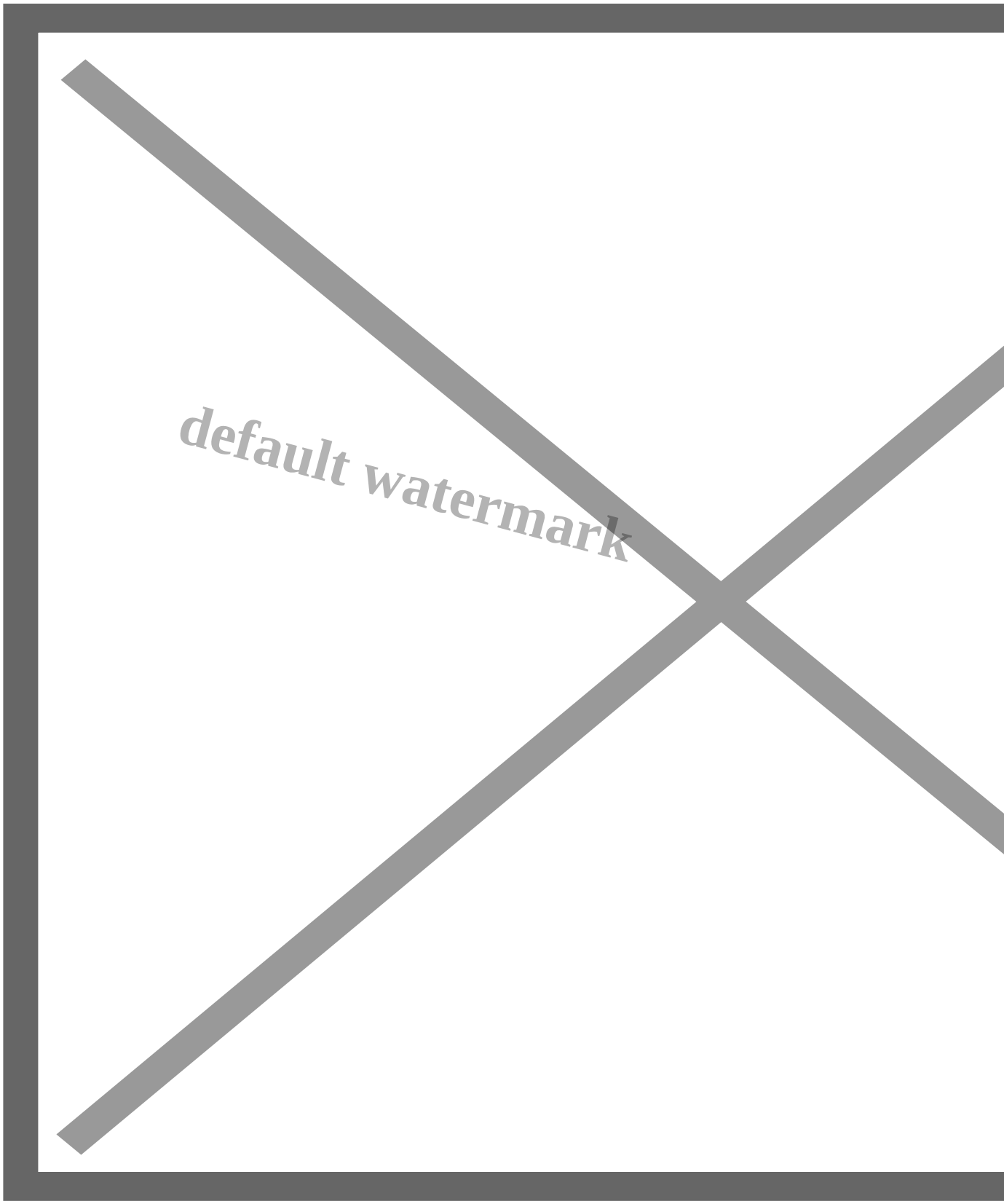
If you find a $10,000 coverage insufficient for your own needs, you can also top this up to a maximum of $100,000 instead:

$100,000 *Sum Insured*	Major Cancer	Accidental Death	Death + TPD
Premium	$0.54 per day*(~$197 / year)*	$0.19 per day*(~$69 / year)*	$0.27 per day*(~$99 / year)*
Additional Interest	0.25% p.a.	0.17% p.a.	0.24% p.a.

This means that for this female profile, if she opts for the maximum coverage of $100,000 across all 3 insurance riders, the total interest she can expect to earn on her first $10,000 in account value will be 1.80% + 0.25% + 0.17% + 0.24% = **2.46% p.a**.

Which eventually works out to be an extra **$246 earned in her first year**, not including the additional 1.00% p.a. on any amount higher than $10,000 if she had deposited extra into her account.

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Rates for a 32-year-old male, non-smoker

For a male accountant aged 32, non-smoker, the rates looked like these:

$10,000 *Sum Insured*	Major Cancer	Accidental Death	Death + TPD
Premium	$0.05 per day*($18.25 / year)*	$0.02 per day*(~$7.30 / year)*	$0.04 per day*(~$14.60 / year)*
Additional Interest	0.04% p.a.	0.02% p.a.	0.03% p.a.

If any of you males need a higher coverage, hereâ??s another example:

$100,000 *Sum Insured*	Major Cancer	Accidental Death	Death + TPD
Premium	$0.46 per day*(~$168 / year)*	$0.19 per day*(~$69 / year)*	$0.38 per day*(~$139 / year)*
Additional Interest	0.25% p.a.	0.17% p.a.	0.25% p.a.

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Similarly, this male profile who opts for the maximum coverage of $100,000 across all 3 insurance riders can expect to earn 1.80% + 0.25% + 0.17% + 0.24% = **2.47%** p.a. on his first $10,000 in account value

Which eventually works out to be an extra **$247 earned in his first year**, not including the additional 1.00% p.a. on any amount higher than $10,000 if he had deposited extra into her account.

Not too bad at all for an insurance savings plan!

Should I go for the max. insurance coverage?

WAIT A MINUTE!

Before you rush to sign up for GIGANTIQ, please note that you should first ask yourself these questions:

1. To earn 1.80% p.a., do you have spare cash to set aside for one year?
2. Do you need to top up your insurance right now?

If you answered yes and no respectively, then the plain vanilla GIGANTIQ plan (without the insurance riders) may be an option.

But if your answer was yes to both questions, then getting covered while also getting bonus interest certainly sounds like a relatively good deal. The last question is then, how much additional insurance do you need?

You may want to consider these factors to guide your decision *rather* than focus on the headline interest rate alone.

TLDR: A compelling solution for 1.80% p.a. (and more if you add on their low-cost insurance rider)

In short, I have to say I am pretty impressed with Tiq by Etiqaâ??s latest offerings when it comes to insurance savings plans.

I already reviewed their tie-up with Singtel Dash previously here *(congrats to those of you who saw the article and signed up for the 2.00% p.a. promo before the tranche closed!)* and found it a suitable alternative given current options for consumers like us.

If youâ??ve been looking for another 1.80% p.a. plan or higher, this could be your answer. Bonus points if you need insurance at the same time, and I certainly wasnâ??t expecting the premium rates on GIGANTIQâ??s insurance riders to be *this* competitive.

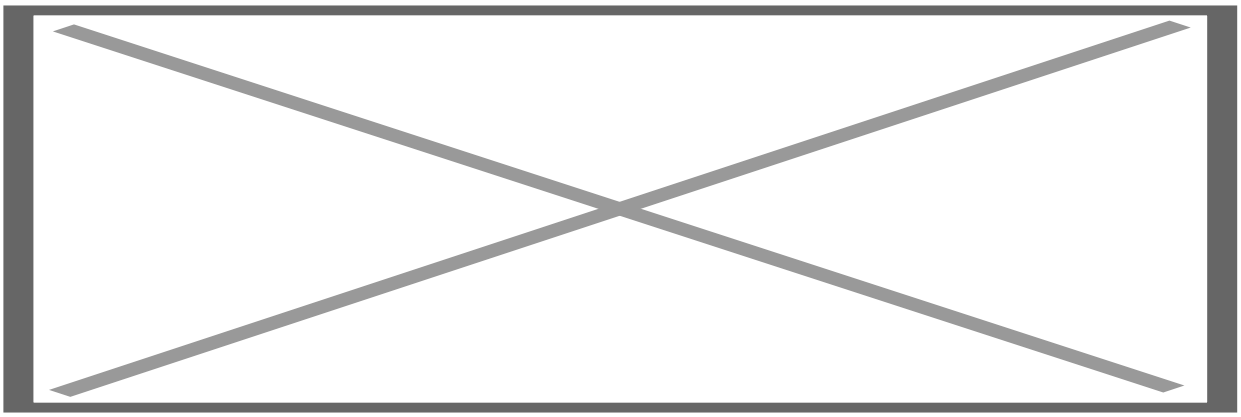
So quick summary? Iâ??m definitely impressed.

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Tranches are limited, so if youâ??re keen, be sure to sign up and lock in your interest rates now here before any changes happen again.

You can sign up for GIGANTIQ on the **Tiq by Etiqa** mobile app if you too, believe that this insurance savings plan with optional protection riders could be a good fit.

Go check out more details for yourself on their website here.



Notes & Disclaimers:

**Guaranteed 1% p.a. + 0.8% p.a. bonus for first policy year, available on a fi*

^ The additional interest rate payable for optional riders depends on the insu
Additional interest earned from each rider is only applicable to the first $10

- The insurance cover charge and additional interest will change every year as

Insurance cover charges and additional interest are non-guaranteed
and Etiqa Insurance Pte. Ltd. has the right to change them from time to time.

- ***GIGANTIQ is not a bank account or fixed deposit.***

[1]*Terms apply*.

This policy is underwritten by Etiqa Insurance Pte. Ltd. (Company Reg. No. 201

You should seek advice from a financial adviser before deciding to purchase th

Information is accurate as of 3 January 2021. This content is for reference on

Disclosure: This post was written in collaboration with Etiqa. All opinions are that of my own.

Category

1. Insurance
2. Investing

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