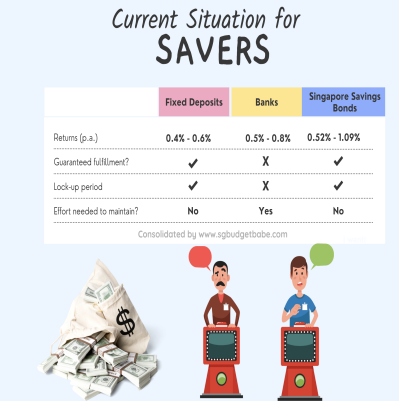

Savers Can Check Out this 1.2% p.a. Plan for 2 Years (Guaranteed Returns, Single Premium)

Description

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With inflation creeping up on us, the current situation isnâ??t looking very pretty for savers. Whatâ??s worse is that savers who continue to leave their savings aside to earn paltry interest will soon find the value of their dollars eroding faster than before.But if youâ??re not inclined to invest (or have a sum of money that youâ??re unwilling to invest for now because you need it in a few years time), there are still options available.



While some have opted to invest their money instead for higher returns, the volatile investment climate right makes it harder to have the certainty that your money will definitely multiply â?? unlike the narrative in 2020 and H12021.

But in the first place, you shouldnâ??t be investing with money that you need in the short-term anyway. Otherwise, youâ??ll be exposed to the volatility of the markets, which may or may not be up by the time you need to withdraw your money, such as for a wedding, delivering your baby, or making the downpayment for a house.

Thereâ??s also no guarantee that at the time of withdrawal, your capital wonâ??t be lesser than what you started out with, or that the stocks or crypto youâ??ve bought into have recovered to their previous highs.

So for those of you with savings that you need to use in the next few years, youâ??ll need to start looking elsewhere:

- Most of you are probably getting **less than 1% on your bank accounts** right now i.e. UOB One / OCBC 360 / DBS Multiplier.
- The majority of **fixed deposits are currently being offered at 0.4% â?? 0.6% p.a.** for up to 36 months lock-in, whereas the highest rate of 0.85% p.a. offered by Hong Leong Finance comes with a 24-month tie-up.
- Holding the same in the **Singapore Savings Bonds (SSB) for 2 years** will give you an average of **0.88%** per year. If you hold for the full 10 years, youâ??ll get 1.64% based on the current tranche.

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Some of you may already have been switching between different bank accounts, fixed deposits or even endowment plans to try and mitigate this, or spread out your capital across different options in order to get maximum returns without taking on risk.

Not a lot of options, but donâ??t fret, because many savers like yourself have been turning to **short-term endowment plans** that usually have **1, 2 or 3 years of commitment**.

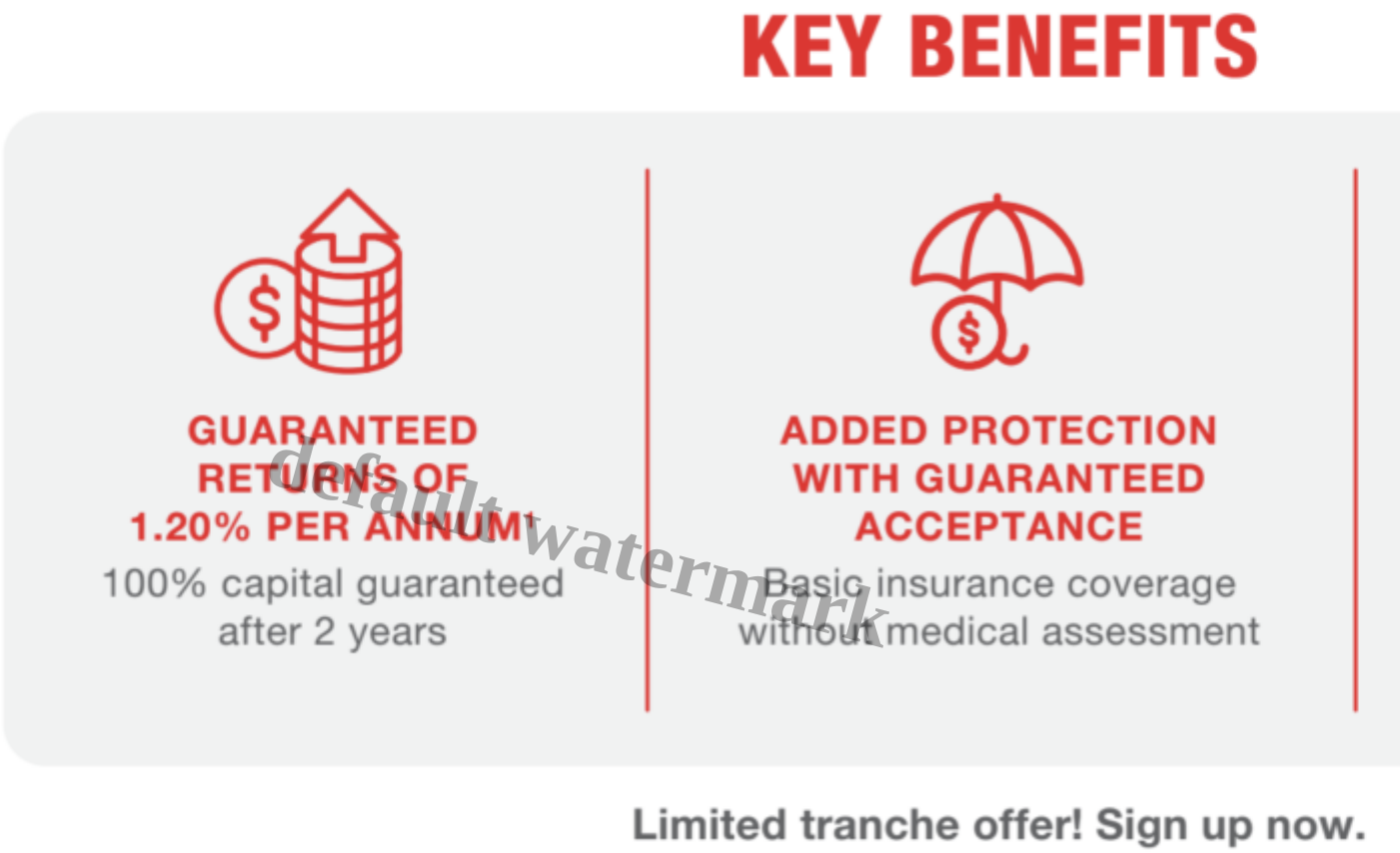
The problem is, there are not a lot of these available, and the good ones sell out pretty quickly. *Sometimes TOO quickly, because before youâ??ve even heard of it, it has already been fully snapped up.*

So when a short-term endowment plan like those in the GREAT SP Series launch, youâ??d want to be paying attention.

The latest news is that GE has just launched their GREAT SP Series 5A, which is a single-premium endowment plan lasting 2 years that provides 1.2% p.a. guaranteed returns upon maturity. The key things to like are:

- **1.2% p.a. guaranteed returns** upon maturity
- **Minimum premium starting from S$10,000**
- Guaranteed returns is applied to entire premium amount *(unlike a tiered payout model)* i.e. you could sign up with $100,000 and still get 1.2% p.a. on the full sum upon maturity
- Comes with **insurance coverage against death and total and permanent disability (TPD)**
- **Complimentary Accidental Cover booster of 5X your premium** paid
- No medical examination or underwriting required

For those who have been thinking of topping up their insurance coverage but had issues doing so, this could also be a good way to get protection without needing to go through any medical examination or underwriting. Take note however, that your insurance coverage ends upon maturity of the plan.



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1 Guaranteed survival benefit equivalent to 1.20% of the single premium will be payable annually on survival of the life assured at the end of each of the two policy years.
3 This Complimentary Accidental Cover Booster is underwritten by Great Eastern General Insurance Limited. Benefit payable is subject to a maximum cap of S$1 million per life assured. To enjoy the Complimentary Accidental Cover Booster, the life assured must be between 17 and 70 years old (age next birthday) when the GREAT SP Series 5A policy is issued. Terms and conditions apply. Refer to this page for further details.

Sample Scenario

So for instance, imagine if youâ??re someone with $100,000 in your investment portfolio and $50,000 set aside for your downpayment on a second property in 2 years time.
Youâ??re not inclined to pump that $50,000 into the markets right now, given how volatile the indexes, stocks and even crypto markets have been lately, and youâ??re unsure if the global economy would have recovered from the pandemic by the end of 2023.

Youâ??ve checked out banks and fixed deposits, but the idea of getting anything less than 1% p.a. doesnâ??t appeal to you.Youâ??ve considered other short term endowment plans, but the set upper limit means youâ??ll have to spread out your $50,000 across multiple plans (3 â?? 4 at least) in order

to maximise your payouts. You donâ??t really want to be dealing with so much hassle to manage them, and you prefer to have everything all in one place for convenience instead.

*Enter GREAT SP Series 5A, which is currently open and offering **1.2% p.a.** at the end of **2 years.**It is a great way for you to **boost your insurance coverage without having to pay more** for costs or undergo a medical examination.Whatâ??s more, application can be done online in a few minutes!*

Now your only question is, where can I sign up?

If that sounds like you (whether you have $10k, $20k, $50k or $200k), you can check out more information on GREAT SP Series 5 here.

You can easily apply for this using your SingPass MyInfo, and make payment via cash, bank transfer or **even your SRS**!

So if you had transferred money into your SRS last month to try and reduce your taxes, youâ??ll probably like this because **itâ??ll pay you higher than the 0.05% that your SRS funds are currently earning**.

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Otherwise, you can always take on more risk and invest that instead in unit trusts, SGS bonds or SGS Treasury Bills, or selected stocks / ETFs.

Considering how fast the previous GREAT SP Series sold out, I wonâ??t be surprised if this becomes fully subscribed either and closes within a few weeks time.

At such competitive rates, Iâ??m not sure how long this tranche will remain open, but we do know from their previous tranches which were all fully subscribed and sold out within weeks, so you may want to check out more information here and decide if this will be suitable for you.

If not, where else can you find a guaranteed 1.2% p.a. upon maturity for more than $10,000 in this climate?

`Disclosure: This post is written in collaboration with Great Eastern, who fact`

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