You are closer to a GREAT retirement than you think

A seven-step guide to making your income, savings and protection work together.

A GREAT retirement plan is not about one big number. It is about bringing different parts together, understanding what each part does, spotting any gaps, and deciding what to do next.

A GREAT retirement plan consists of...	What each part plays for a GREAT retirement
CPF savings	Builds a foundation for retirement income and helps meet essential needs.
Savings and investments (including SRS optimisation)	Grows your emergency savings, protect against inflation and provide additional income to support the lifestyle you desire.
Home	Provide a place to live and can create future options for income, right-sizing or legacy.
Health protection	Protects retirement savings from medical, recovery, disability and long-term care costs.
Wellbeing and leisure	Have an active, connected and fulfilling retirement
Legacy planning	Makes clear who can act for you, how your assets should be handled and what your family needs to know.

1 **Step 1:** Know what you already have for a GREAT retirement

You have been building a GREAT retirement all along

First, some good news: **most retirement plans do not start from zero.**

From the moment you started your first job, or bought your first insurance policy, you were already laying the foundations for a GREAT retirement.

You just did not know it then.

Example: How the Lees built a GREAT retirement without realising it

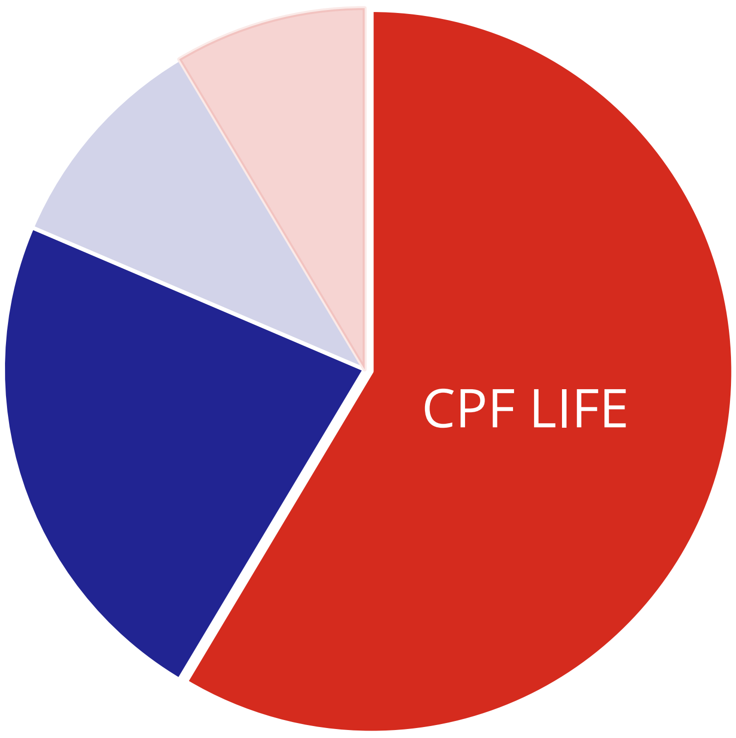
- Mr and Mrs Lee, 66, both started working at age 24. Their CPF savings later became the foundation of their retirement income.
- The insurance plans they bought in their 20s, and reviewed later in life, protected them against large medical bills. This also safeguarded their other savings to be used to enjoy retirement.
- When Mr and Mrs Lee were 30, they married and bought a “forever home” together. Their house today is an asset that they can monetise or become part of their legacy to pass down to their children.

What are the most important parts of a GREAT retirement?

Check off what you already have. You may be surprised that you already have most of the foundations of a GREAT retirement. Now it’s time to let them work together.

- ☐ CPF savings, CPF LIFE payouts
- ☐ A home you own
- ☐ Emergency fund, cash savings, savings plan
- ☐ Investments, SRS, unit trusts, annuities or managed portfolios
- ☐ MediSave
- ☐ Life, health, critical illness, disability coverage
- ☐ CPF and insurance nominations
- ☐ Will and Lasting Power of Attorney (LPA)

2 **Step 2:** Understand the role of CPF LIFE for a GREAT retirement



CPF LIFE is a large slice of a GREAT retirement, but not the whole pie

Did you know? CPF LIFE stands for CPF "Lifelong Income For the Elderly".

As its name suggests, starting from any time between ages 65 and 70, you will receive monthly payouts for the rest of your entire life, even if you were to live past the age of 100!

How much you might get from CPF LIFE every month

The amount you receive is dependent on:

I. How much you have in your CPF Retirement Account (RA)
II. The age you choose to start payouts
III. The type of CPF LIFE plan you choose (Basic, Standard, Escalating)

For illustration purposes: A 55-year-old man's RA account in 2026	**CPF LIFE Standard Plan** Payout after turning 65
$220,400	**S$1,780/month**
$440,800	**S$3,440/month**

Find out more

Use the CPF Monthly payout estimator or Retirement payout planner to get a better estimate of your likely monthly payouts.

What are the CPF LIFE plans available and which is the right plan for my retirement?

Basic	**For those who want to maximise the lump sum left for your loved ones** Payouts start low, and fall when your CPF balances drop below $60,000
Standard	**For those who want consistent payouts** Payouts remain steady for life, but may not protect you from inflation
Escalating	**For those who want to maintain your lifestyle despite inflation** Payouts start low, but grow by 2% every year

Is CPF LIFE enough to fund a GREAT retirement?

Yes. But it depends on your lifestyle choices (and your definition of a GREAT retirement).

According to 2024 OCBC Financial Wellness Index, **more than 64% of Singaporeans** wanted a retirement lifestyle that would **cost at least $3,430 a month per person** (before factoring inflation).

The same study estimated that **a basic retirement would cost at least $2,275 a month per person** – leaving little buffer if an emergency or serious illness hits.

That is why most financial experts suggest using CPF Life as a base layer to meet essential needs, while maintaining other sources of retirement income to fund other expenses

3 **Step 3:** Work out your monthly gap

Your GREAT retirement cost is unique to you

After figuring out your monthly income via CPF LIFE, it’s time to estimate how much you need from other income sources to meet the retirement lifestyle you want.

How much will your retirement cost?

Modest retirement lifestyle	Comfortable retirement lifestyle	Premier retirement lifestyle
• Own and live in a HDB property • Commute via public mass transport • Medical consultation/ treatment at polyclinics and government hospitals • No domestic helper • Regional holidays 2 times a year e.g. Thailand, Hong Kong	• Own and live in a HDB property • Commute via taxi or own a mid-range car • Medical consultation/ treatment at GPs and government hospitals • Part-time domestic helper • Regional holidays 3 times a year e.g. Thailand, Hong Kong, Korea	• Own and live in private property • Own a high-end car • Medical consultation/ treatment at GPs and private hospitals • Full-time domestic helper • International holidays 2 times a year e.g. Europe, America • Enjoys lifestyle and wellness experiences
$2,300/month/person	**$3,800/month/person**	**$8,000/month/person**

Important note: These estimates may not reflect your unique wants, needs, or situations. MoneySense, Singapore's national financial education programme, lists two other methods to calculate how much you may need for a comfortable retirement.

#1 Adjusted expense method

Categorise your current expenses into three categories.

- **Fixed/ essential costs:** Housing, utilities, insurance, groceries
- **Work-related costs to drop:** Subtract commuting, professional attire and work lunches.
- **Lifestyle costs to adjust:** Factor in potential increases in travel, hobbies or out-of-pocket medical care.

Apply inflation rate.

#2 Income replacement ratio method

Since most people are likely spend less during retirement, use 60-75% of your present income to estimate how much you may need for retirement.

Example:

- You earn $5,000 a month.
- You may need in retirement: 60% x $5,000 = $3,000 a month (before factoring inflation)

Too much maths?

Use these retirement calculators or others online for rough estimates.

- Great Eastern retirement calculator
- OCBC retirement calculator
- All CPF Board calculators

4 **Step 4:** Start filling the gaps with cash and investments

Give every retirement dollar a date and a purpose

Cash savings and investments help cover the expenses CPF LIFE may not fully meet. However, both should play different roles at different times.

The truth is: **you do not really need a $1 million bank account to fund a GREAT retirement**. Even a significantly smaller cash pool can be sufficient, if used in tandem with other assets.

How to grow and time your savings and investments

Pre- retirement to start of retirement (Year 0-5)

Primary source of spending:
- CPF LIFE
- Cash savings

Role of investments:
- Grow what you have
- Withdraw only if markets have perform well or you need additional income

Why?
- Using cash as your first source of spendings gives your investments time to grow.
- If you sell them too early, you permanently lose the ability to combat inflation.

Mid-retirement (Year 5-15)

Primary source of spending:
As your cash reserve gradually reduces, investments begin to play a larger role.

You may:
- Withdraw investment income such as dividends or bond interest
- Sell small portions of your portfolio when markets are performing reasonably.

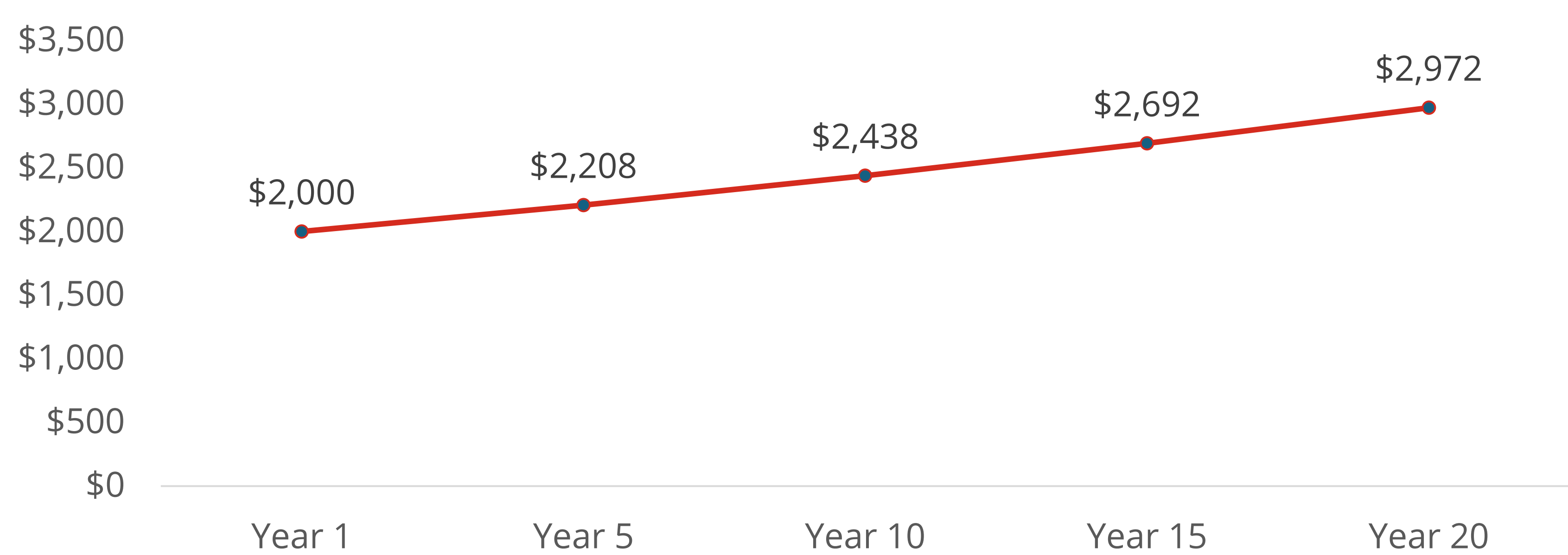
How?
- Rather than selling all your investments in one go, withdraw a little every year to spread out market risk.

Retirement ends (15+ years)

By this stage:
- CPF LIFE continues providing lifelong monthly payouts.
- Investments continue supporting additional spending and help offset inflation.
- Maintaining a small emergency fund still important for unexpected expenses.

How inflation affects your retirement plan

Assuming you need $2,000 in cash each month and an annual inflation rate of 2%, by 20 years time, you will need $2,972 monthly. **Having investments that regularly beat inflation help mitigate this factor.**



5 **Step 5:** Consider the role of your home in retirement

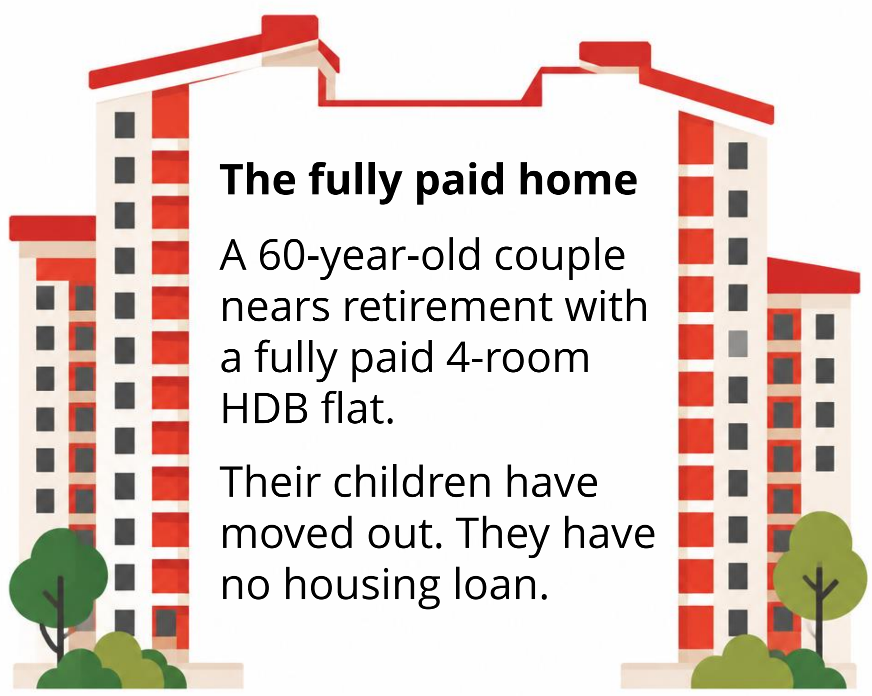
Your home matters in a a GREAT retirement

For most Singaporeans, our home is the biggest asset we own. As such, there is no doubt it plays a major role in a GREAT retirement.

But, our home is more than just an asset. It is also a cost, a source of security, a possible income lever and sometimes, even a constraint.

How your home affects your retirement cash flow

Two households may have the same CPF balance and investment portfolio, but very different retirement outcomes because their housing costs are different.



The fully paid home

A 60-year-old couple nears retirement with a fully paid 4-room HDB flat.

Their children have moved out. They have no housing loan.

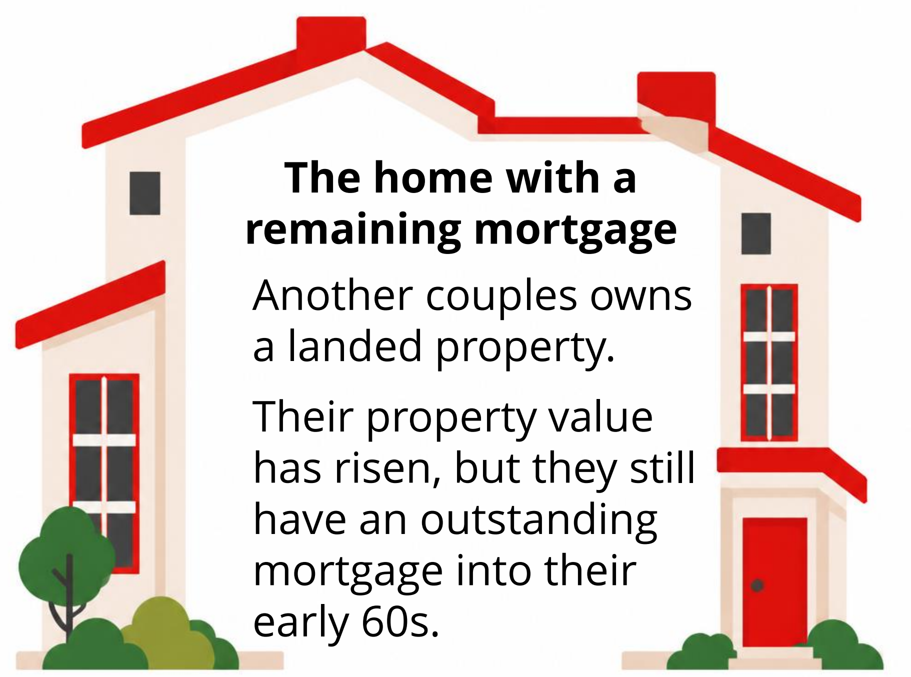
As they approach retirement, their housing related costs include:

- Service and conservancy charges,
- Utilities
- Property tax
- Home insurance
- Repairs and replacements
- Age-friendly modifications

But they do not have a monthly mortgage. This gives their retirement income more breathing room.

For this couple, retirement planning may focus on ensuring CPF LIFE payouts are adequate, setting aside a home maintenance fund, reviewing healthcare protection and deciding whether to rent out a spare room or right-size later.

The home is not producing income, but it is reducing pressure.



The home with a remaining mortgage

Another couples owns a landed property.

Their property value has risen, but they still have an outstanding mortgage into their early 60s.

As they approach retirement, their housing related costs include:

- Mortgage repayments
- Maintenance fees
- Property tax
- Utilities
- Insurance
- Repairs and renovation

On paper, they may appear wealthier. In practice, they may need more retirement income simply to maintain the home.

If one spouse stops work earlier than planned, if bonuses fall, if interest rates rise, or if a health event affects income, the property can quickly become a cash flow problem.

A valuable home can still weaken retirement confidence if the ongoing costs are too high.

Did you know? Seniors aged 55 or above can receive a **cash bonus of up to $40,000** when they right-size to a 3-room or smaller HDB flat, and top-up the proceeds from the sale of their existing property into their CPF RA under the **Silver Housing Bonus**.

Find out more

6 **Step 6:** Protect your retirement plan

A health problem should not become a money crisis

Using the assets you have, you may have managed to fill all your gaps and are now seemingly on track for a GREAT retirement.

An illness or emergency however could change your financial picture abruptly. Getting covered ensures your retirement income remains intact.

How different health insurance policies work together for your retirement

Consider a retiree who suffers a serious stroke	
Hospitalisation insurance	Helps pay for the hospital treatment, scans, surgery and eligible rehabilitation expenses.
Critical illness Insurance	May provide a lump sum, if the stroke meets the policy definition, to support recovery and other financial needs.
Disability insurance	May provide monthly payouts if the retiree remains severely disabled and needs continuing help with daily activities.

The hospital stay may last weeks. The recovery may take months. The need for personal care could continue for years. This is why the three types of cover are complementary rather than interchangeable.

Why you should not neglect disability insurance / long-term care costs

1 in 2
Singapore residents may develop a serious disability during their lifetime and require long-term care.
- Ministry of Health

Up to $3,550
Monthly recurring cost for home caregiving for a bedridden patient.
- 2025 Long-term care study by Great Eastern

~$426,000
Cost of long-term care for 10 years.
- 2025 Long-term care study by Great Eastern

61%
Of caregivers reported financial strain due to treatment or care cost.
- 2025 Long-term care study by Great Eastern

How to “right-size” your health insurance as you age

Hospitalisation insurance	Premiums rise as we age. To reduce expenses, you may consider downgrading your plan (e.g. from private hospital to public hospital) to save costs.
Critical illness Insurance	In your working years, CI coverage is usually used to replace your income as you recover. Upon retirement, some may re-calculate how much they need based on the cost-of-living or additional treatment.
Disability insurance	Takes a greater priority as we age. It covers care that may be needed for years.

Plan for a GREAT retirement full of life

You have spent years building towards retirement. Now think about what you want your days to be filled with.

Money gives you choices. How you use your time, energy and relationships turn those choices into a GREAT retirement that feels active, connected and fulfilling.

Work often provides:

- **Salary.** Money arriving regularly.
- **Schedule.** Structure for the week
- **Daily contact.** People around you

Retirement must build:

- **Income.** Enough for needs and enjoyment.
- **Rhythm.** Purpose and reason to get up and go out.
- **Connections.** Relationship that continue

How?

Keep moving

Movement helps you continue doing the things you enjoy and is also a form of preventive healthcare.

Aim for 150 to 300 minutes of moderate activity a week, like walking swimming or even gardening.

Keep connected

Work creates regular contact with you having to plan it. Retirement may not. Build recurring meals and activities into your week.

Keep a sense of purpose

Purpose could come from caring for someone, learning, helping in the community or bring your family together.

Stay ahead of your health

Preventive care can find or control health problems before they become harder to manage or limit your independence.

Keep a regular family doctor doctor, attend recommended screenings and stay up to date with vaccinations.

Health tip: Do not wait for symptoms. Check what is recommended for your age, sex, health history and previous screening results.

8 **Step 8:** Make it easy for your family

The best plan is one your family can follow

Your loved ones should know what money comes in, where key documents are kept and who can act for you.

Nominations and legal documents

Item	Role
CPF nomination	Who receives your remaining CPF savings
Insurance nomination	Who receives eligible policy benefits
Will	Who receives your other money and property.
Lasting Power of Attorney	Who can make decisions for you if you are unable to do so.

Final takeaway

You may already have most of the pieces for a GREAT retirement.

The next step is to connect them, strengthen the gaps and make the plan clear. Reach out to a financial representative if you need help.

90-day action plan for a GREAT retirement

In 30 days
- List reliable income and must-pay costs
- Separate healthcare and long-term care money.
- Check nominations

In 60 days
- Decide on your retirement income options.
- Review insurance coverage and premiums.
- Share your retirement plan with your family

In 90 days
- Review will and LPA.
- Discuss care and housing wishes.
- Speak to a financial representative.

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