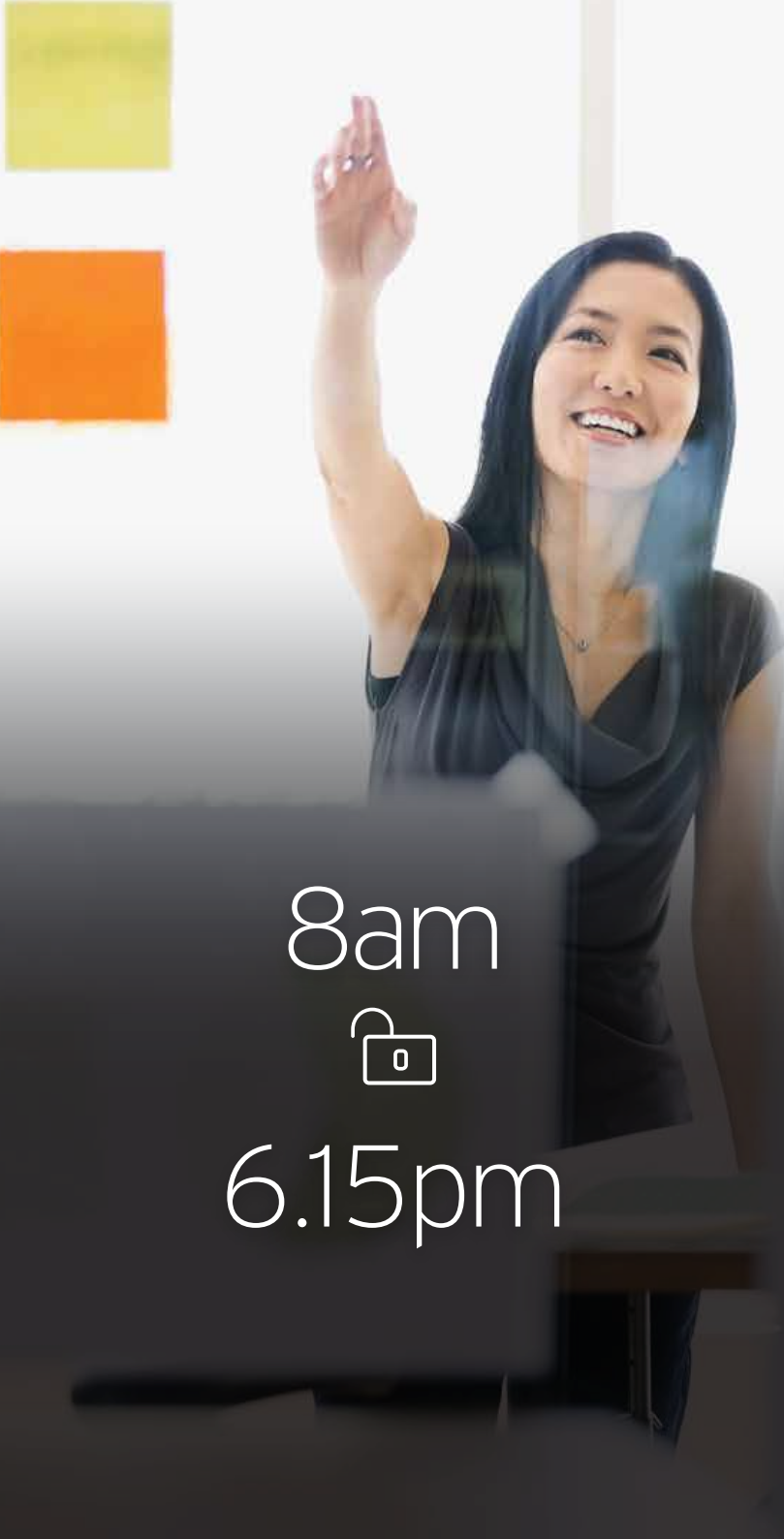




Introducing **SORA**





What is SORA?

Singapore Overnight Rate Average (SORA) is the volume-weighted average rate of borrowing transactions in the unsecured overnight interbank SGD cash market in Singapore between 8am and 6.15pm. It is computed based on actual transactions performed.

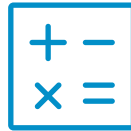
SORA is administered by Monetary Authority of Singapore (MAS), and has been published by MAS since 1 July 2005.



Why is the Bank introducing SORA as the reference benchmark?

In July 2020, Association of Banks in Singapore (“ABS”), Singapore Foreign Exchange Market Committee (“SFEMC”), Steering Committee for SOR & SIBOR Transition to SORA (SC-STS) issued a joint industry report to recommend discontinuation of SIBOR and replace it with SORA as the main interest rate benchmark for Singapore dollar (SGD) financial markets.

SORA is being recognised by the financial industry as a robust and credible benchmark. It is computed solely from interbank transactions provided by reporting banks, and no expert judgement is applied.

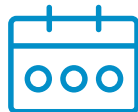


How is SORA being calculated?

On each business day, all reporting banks provide data on all eligible transactions traded and booked in the window between 8am and 6.15pm (both timings inclusive) to MAS.

MAS conducts thorough data validation checks and computes SORA by taking the volume-weighted average rate of all eligible transactions. SORA is then published on the MAS website the next business day at 9am.

You may refer to below link for more details on the calculation methodology:
[https://www.mas.gov.sg/-/media/MAS/SORA/Methodology-document.pdf?la=en&hash=76D9DE4B8FED3DD9661BCCDB47F4A59C29AA0CB1](https://www.mas.gov.sg/-/media/MAS/SORA/Methodology-document/-/media/MAS/SORA/Methodology-document.pdf?la=en&hash=76D9DE4B8FED3DD9661BCCDB47F4A59C29AA0CB1)



How is the Compounded SORA being derived?

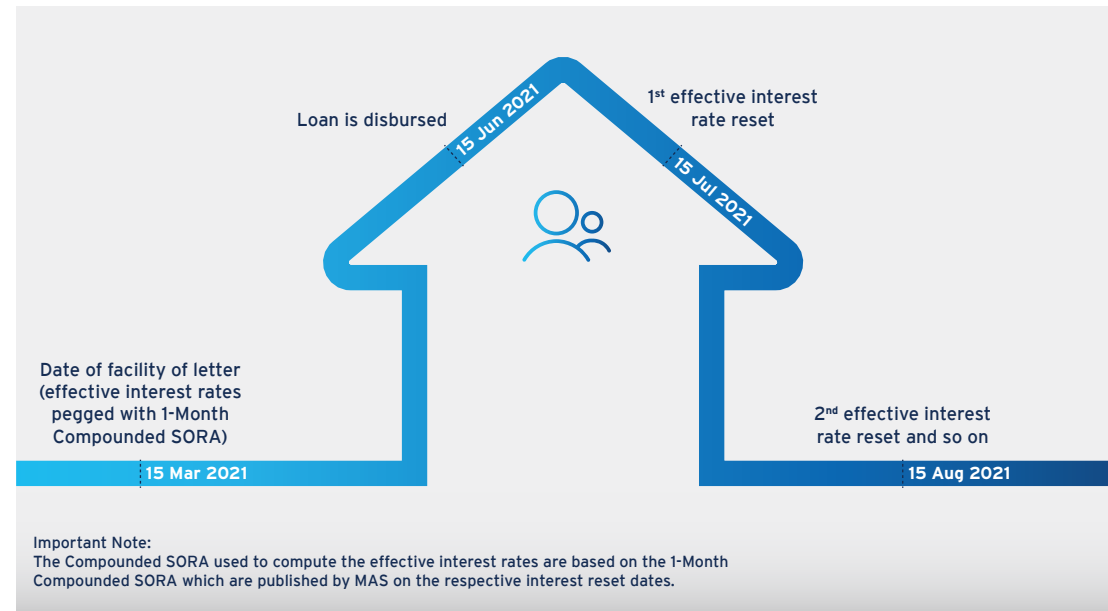
The Compounded SORA is derived from compounding the published SORA rate over the historical period.

The **MAS** will publish Compounded SORA of 1-month, 3-month and 6-month tenors at **9am on every business day in Singapore**. The 1-month, 3-month and 6-month Compounded SORA provides reference rates for unsecured interbank SGD transactions in Singapore, compounded over historical 1-month, 3-month and 6-month periods.

The daily and historical Compounded SORA rates can be found from MAS website at <https://eservices.mas.gov.sg/Statistics/dir/DomesticInterestRates.aspx>.



Illustration of a home loan pegged with 1-Month Compounded SORA



Benefits of choosing a home loan pegged with Compounded SORA

- ✓ SORA is recognised by the financial industry as a robust and credible benchmark.
- ✓ SORA is a fair and transparent benchmark that is computed solely from interbank transactions provided by reporting banks. MAS performs the necessary data validation checks on the reported transactions to ensure the accuracy of SORA.



To find out more

Visit <https://www.citibank.com.sg/gcb/mortgage/mortgage-calculator> to check out on how you can reduce your monthly interest by offsetting the interest paid on your mortgage with an interest adjustment earned on the deposits in the Citi Home Saver Checking Account.

Check out some of the available Compounded SORA interest rate packages by visiting https://www.citibank.com.sg/global_docs/pdf/Pricing-Packages.pdf. Talk to our mortgage advisor to get a mortgage financing package that suits your needs.

Further reading related to SORA

- <https://abs.org.sg/benchmark-rates/about-sora>
- <https://www.mas.gov.sg/monetary-policy/sora>
- <https://www.mas.gov.sg/-/media/MAS/SORA/IOSCO-Statement>