



Home / News / Parliamentary Replies / 2026 / Written reply to Parliamentary Question on support for borrowers...

Parliamentary Replies | Published Date: 07 October 2026

Written reply to Parliamentary Question on support for borrowers at risk of financial stress

4,000 home-loan households would run short of cash in a severe rate and income shock

Description

4,000 households with home loans from banks and other lenders would not be able to cover their monthly bills if mortgage rates rose sharply and their incomes fell at the same time. The figure comes from the [Monetary Authority of Singapore’s latest stress test](#), set out in a written parliamentary reply by Deputy Prime Minister Gan Kim Yong, the MAS chairman, for the sitting on 7 October.



Home / News / Parliamentary Replies / 2026 / Written reply to Parliamentary Question on support for borrowers at risk of financial stress

Parliamentary Replies | Published Date: 07 October 2026

Written reply to Parliamentary Question on support for borrowers at risk of financial stress

Photo: Monetary Authority of Singapore

Those households make up 1 per cent of borrowers with housing loans from financial institutions. In the severe scenario, their spending would run ahead of their income each month and their savings would

not stretch to cover the gap.

A test, not a count

The 4,000 is not a tally of households in trouble today. It is the number that could come under stress if the severe shock in the test actually happened. The great majority of mortgage borrowers would stay resilient in the same scenario, and the share of vulnerable households has stayed broadly stable from one annual stress test to the next.

Yio Chu Kang MP Yip Hon Weng, who asked the question, described the group as mainly lower-income, middle-aged HDB residents. He asked how many households that meant and how MAS would work with banks and agencies to reach them before they fell into arrears.

Where borrowers can go

Banks and other lenders track repayments and are expected to contact borrowers who show signs of strain early, with help tailored to their circumstances. Borrowers who expect to struggle are urged to approach their lender before they miss a payment.

For HDB flat owners who have fallen behind, the route depends on who holds the loan:

- An HDB loan: HDB, which can discuss restructuring the loan and refer the household to social service agencies
- A bank loan: the bank, which can discuss restructuring
- Already in debt trouble: Credit Counselling Singapore, which offers financial counselling and debt management guidance

What rates are doing now

The HDB concessionary loan rate is 2.6 per cent a year until 31 December 2026, pegged at 0.1 percentage point above the 2.5 per cent CPF Ordinary Account rate. Bank home loans are priced by each bank and are not covered by that peg.

Date Created

14/10/2026

Author

rachelng