



Big Ticket Items To Save Up For And How Insurance Helps

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For many in Singapore, financial goals go far beyond everyday needs. Big ticket items, like a dream home, a child’s overseas education, or that once-in-a-lifetime vacation, aren’t just lofty aspirations. They’re milestones that shape the life one wants to live. However, reaching these milestones often comes with hefty price tags. Without proper planning, what starts off as an exciting goal can become a source of stress. That’s why [mastering personal finance](#) and making smart use of tools like [saving insurance in Singapore](#) can go a long way in turning dreams into achievable targets.

What are big ticket items?

“Big ticket items” refer to major life purchases or financial commitments that typically require long-term saving or significant upfront investment. These are expenses that can’t be easily covered by a single month’s income and require careful planning. Some of the most common examples in Singapore include:

- **Wedding expenses:** A wedding celebration can cost anywhere from \$30,000 to \$100,000, depending on size and venue.
- **A dream vacation:** Whether it’s a honeymoon or a family trip around the world, travel comes with considerable expenses.
- **A new home or down payment:** Whether it’s a BTO flat or a private condo, property prices in Singapore are among the highest in the region.
- **Buying a car:** With COE prices and maintenance fees, owning a vehicle in Singapore is no small feat.
- **Children’s education:** From local university fees to international school tuition or overseas studies, education can be a major financial undertaking.
- **Starting a business:** Entrepreneurs need capital, and often, the best way to raise it is through consistent savings.
- **Retirement fund:** Planning early for retirement ensures long-term comfort and peace of mind, especially with the rising cost of living.

Why it’s hard to save for big ticket items

Saving sounds simple in theory, but in practice, many people struggle with it. Here’s why:

- **Rising cost of living and inflation:** As prices increase year-on-year, the value of money diminishes. What’s saved today might not be enough tomorrow.
- **Unexpected life events:** Medical emergencies, retrenchment, or family obligations can throw financial plans off course.
- **Lack of structured saving habits:** Without a clear plan, it’s easy to let savings slide or dip into them for less important purchases.
- **Short-term temptation:** Whether it’s dining out or upgrading gadgets, daily temptations make it hard to focus on long-term goals.

These obstacles are common, but not insurmountable, especially with structured savings tools like insurance.

How savings insurance supports your big goals

This is where savings insurance can offer real advantages. More than just a savings account, these plans offer structure, growth potential, and protection.

1. Disciplined saving

Savings insurance plans are a disciplined way to grow your wealth over time. A helpful guideline to manage your finances is the 50/30/20 rule, where 50% of your income goes to needs (such as rent, bills, and groceries), 30% to wants (like dining out, entertainment, and hobbies), and 20% to savings and investments. Savings insurance fits neatly into that 20% category. With structured contributions over a fixed term, regular savings insurance plans support consistent wealth accumulation while reducing the temptation to spend prematurely.

2. Wealth accumulation

Saving insurance plans are designed to support long-term wealth accumulation. Unlike a bank savings account, these plans often include guaranteed returns and potential bonuses with insurance coverage, which can help grow your wealth steadily over time. By committing to regular premium contributions, you build a financial foundation that not only safeguards you and family but also supports future goals like retirement or legacy planning.

3. Financial protection

As part of responsible financial planning, it is recommended to allocate around 15% of your income to insurance protection. Many savings insurance plans include built-in coverage, helping to safeguard your wealth in the event of death or disability. This ensures your finances catered for the family is intact , even in life’s uncertainties.

4. Liquidity of funds

While savings insurance plans are designed for long-term goals, some offer features like partial withdrawals or policy loans. This provides liquidity when needed, without the need to cancel the plan or forfeit long-term gains.

5. Maturity payout

At the end of the savings term, a lump sum is paid out. This can coincide with specific life milestones such as paying for a child’s university tuition, buying a house, or starting a business.

China Taiping Singapore offers a range of savings insurance plans tailored to suit various life stages and financial objectives. Here are three options worth exploring:

- **i-CashLife:** A whole life insurance plan that goes the distance – literally until age 120. It offers yearly cashbacks of up to 3.95% p.a. of your Total Yearly Premium right after the end of your selected premium term. You will be rewarded with loyalty cashback on the 20th policy anniversary and every 10 years thereafter. Ideal for those seeking stable, long-term benefits alongside life coverage.
- **i-WealthSaver:** This savings plan allows savers to grow their wealth at different life stages. Whether you’re planning for retirement, a child’s future, or your next big investment, this plan adapts to your goals. It offers attractive maturity returns of up to 3.6% p.a. and 100% capital guaranteed from as early as the end of the 5th policy year.
- **i-Saver8:** Perfect for those who want a short-term commitment with attractive rewards. With just two years of premium payments, you’ll enjoy returns of up to 3.13% p.a. upon maturity at year 8. This plan also comes with death protection coverage, providing peace of mind along the way.

Comparing savings insurance to other methods

It’s always useful to understand how savings insurance stacks up against other financial tools:

- **Bank savings accounts**
 - Low risk, but also low returns.
 - Easy access to funds but doesn’t encourage long-term saving discipline.
- **Stocks, unit trust and bonds**
 - Higher returns are possible, but so are higher risks.
 - Requires financial knowledge and constant monitoring.
- **Government schemes**
 - Schemes like the CPF Housing Grant or Baby Bonus can support specific expenses, but coverage is limited to eligibility and type of expenditure.

Ultimately, no single method is perfect. Many Singaporeans use a mix of approaches: savings insurance for disciplined and steady growth; investments for higher returns; and bank savings account for liquidity. The right combination depends on your financial goals, risk appetite, and time for wealth accumulation.

Conclusion

Whether it’s buying a new home, funding a child’s education, or simply planning for retirement, big dreams come with big price tags. But with the right strategy, they don’t have to feel out of reach. That’s where mastering personal finance makes all the difference. Structured tools like savings insurance offer both protection and potential, giving you a dependable path to reach your life goals. If you’re ready to start planning for the important milestones ahead, speak to a trusted financial advisor at China Taiping Singapore. Explore saving insurance plans in Singapore that match your needs and get one step closer to turning big dreams into reality.