

In debt because of your high lifestyle? Nobody is totally free of debt nowadays, but when you are, make sure that you are indebted to a bank that is giving you the best possible rates. We take a look at several leading banks of their credit offerings:

Personal Loans

	Citibank	Hong Leong	HSBC	OCBC	Al-Rajhi	Standard Chartered	Bank Rakyat
Marketing Name	Citibank Readycash	Hong Leong Personal Loan	Anytime Money	Power Credit (revolving credit line)	Personal Financing-i		Aslah Personal Financing-i
Interest Rates	1.25% per month	Interest Rate is flat 1% per month	Flat rate from 9.5% p.a.	1.4% per month interest levied on amount utilised	n/a	8 - 13.7%	n/a
Guarantor?	No collateral / No guarantor	No guarantor and no collateral	No collateral. No guarantor.	No collateral. No guarantor.	No collateral. No guarantor.	No collateral. No guarantor.	Guarantor needed if less than 3 year service in government or private.
Min. Income requirement	<ul style="list-style-type: none"> Earn a minimum annual income of RM24,000 	<ul style="list-style-type: none"> Earn a minimal annual income of RM24,000 per annum 	<ul style="list-style-type: none"> Earn a minimal annual income of RM24,000 per annum 	<p>Up to 3 times your monthly salary or a maximum RM100,000, whichever is lower.</p> <p>It is a revolving credit line based on your salary. If you are earning RM800 a month, you could get up to RM2,400 loan (3x). Upon approval, you will be given a card which allows you to withdraw cash up to your credit limit.</p>	<ul style="list-style-type: none"> Earn a minimal gross annual income of RM24,000 per annum 	<ul style="list-style-type: none"> Earn a minimum annual income of RM18,000 	<ul style="list-style-type: none"> Government employees with a minimum income of RM700.00 per month. Private sector employees with minimum income of RM800.00 per month Employees in service for not less than 6 months <p>[the lowest threshold]</p>
Approval Requirements	<ul style="list-style-type: none"> Malaysian citizen or permanent residents 21 years of age and above Minimal documentation (see below) Salaried Employee NRIC Latest Pay Slip Latest EPF Statement Self-employed 	<ul style="list-style-type: none"> Malaysian citizen only Age between 21 to 60 years old <p>photocopy of I.C. & income statement/ credit card</p>	<ul style="list-style-type: none"> Malaysian citizen or Permanent Resident only. Age between 21 to 60 years old <p>Salaried Application</p> <ul style="list-style-type: none"> NRIC Copy of current of previous months payslip/copy of 	<ul style="list-style-type: none"> Malaysian citizen or permanent resident Only photocopy of NRIC & credit card per annum 	<ul style="list-style-type: none"> Open to all Malaysians aged 21 and above To assist the bank to determine the trade limit within 2 days, we require the following documents: A copy of: <ul style="list-style-type: none"> NRID or Military ID or Police ID 	<ul style="list-style-type: none"> Malaysian Citizen or Permanent Resident Between 21 - 55 years age A copy of: <ul style="list-style-type: none"> NRID or Military ID or Police ID Latest 3 months pay slip EA Form Bank statement 	<ul style="list-style-type: none"> Malaysian citizens between the ages of 18 and 55 years (over 56 years old - government employees only)

	<ul style="list-style-type: none"> • NRIC • Latest Pay Slip • Latest EPF Statement • Bank statements (last 6 months) or 'Borang B' or equivalent proof of income 		<p>bank statement showing salary credit into account OR</p> <ul style="list-style-type: none"> • Form BE (full submission to income tax department with payment receipt attached) / EPF statement. OR • Copy of appointment letter (if employed less than 3 months) <p>Variable Income Earner</p> <ul style="list-style-type: none"> • NRIC • Copy of latest 3 months payslip/copy of bank statement showing salary credit into account • Form BE (full submission to income tax department with payment receipt attached) / EPF statement/ Copy of yearly commission statement from employer. <p>Variable Income Earner</p> <ul style="list-style-type: none"> • NRIC • Copy of latest 3 months payslip/copy of bank statement 		<ul style="list-style-type: none"> ○ Latest 3 months pay slip ○ EA Form ○ Bank statement 		
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			<p>showing salary credit into account OR</p> <ul style="list-style-type: none"> • Form BE (full submission to income tax department with payment receipt OR CPO2 attached) / EPF statement/ Copy of audited financial statement/Profit and loss account. • Copy of Business Registration form 				
Approval time	48 hours	48 hours	Fast approval	1 day/24 hours	2 days/48 hours	24 hours	
Penalty for early settlement	RM 200 or 3% on the balance outstanding, whichever is higher, if the loan is fully settled before reaching half of the tenure.	n/a	RM200 or 3% of outstanding balance (whichever is higher). Fee will be levied if the customer pays the total outstanding balance (outstanding principal & interest accrued or full redemption) before the maturity date ahead of the tenure	n/a	NO penalties for late payment or early settlement	RM200 or 3% of outstanding balance (whichever is higher). Fee will be levied if the customer pays the total outstanding balance (outstanding principal & interest accrued or full redemption) before the maturity date ahead of the tenure	n/a
Maximum amount loanable	Up to RM120,000	Up to RM50,000	Up to RM100,000	Up to 3 times your monthly salary or a maximum RM100,000, whichever is lower.	High trade limit up to 5 times your monthly salary or RM150,000 whichever is lower.	Up to RM150,000	Financing of up to RM100,000.00* or monthly deductions not exceeding 60% of gross monthly income.
Repayment period	Flexible repayment tenure of up to 5 years	Flexible repayment tenure of up to 5 years	Flexible repayment tenure of up to 5 years	Only the minimum 5% of monthly outstanding balance or RM50 whichever is higher → no penalties on early repayment	Repayment period of up to 5 years	Loan tenure between 12 and 60 months	Maximum of 10 years

HSBC Anytime money gives you the best rate for personal loan, however if you happen to fall under the low income category, OCBC Power Credit or Bank Rakyat's Aslah Personal Financing-1 are the two that you should go for. Whatever it is don't go for Ah Longs!

Use of Personal Loan

There are many possible reasons why you would want to take out personal loans. Amongst the reasons we have discovered are as follows:

- Weddings
- Downpayment for a house/condo/Car
- Home renovation
- Purchase of fixtures and fittings for a new house
- Debt consolidation
- Study
- Car modifications.
- Honeymoon and travel
- Personal sickness that require major operations.
- Investment in ASB.

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