1 SEP 2021

# Fed Signals Tapering Announcement This Year

The Federal Reserve held their Jackson Hole Economic Policy Symposium, entitled “Macroeconomic Policy in an Uneven Economy” last Friday (27 Aug). The most important speech was by Chairman Powell, when he delivered opening remarks to kick-off the event. Markets had anticipated this speech for months now in expectation of getting a signal about the start date of a gradual reduction, or “taper”, of the Fed’s US$120bn in net new monthly Treasury and MBS purchases (known as Quantitative Easing or “QE”). Powell’s remarks appear to signal that a formal taper announcement may occur this year, but he left the formal announcement date open.

Read more on page 2 >

## Market Performance

US equities rose in August, with the Dow Jones Industrial Average up 1.22%, the S&P 500 rising 2.90%, and the Nasdaq Composite gaining 4.00%.

In Europe, the European Stoxx 600 and the FTSE100 advanced 1.98% and 1.24% respectively. In Japan, the Nikkei 225 gained 2.95%, and Topix rose 3.14%.

MSCI Emerging Markets was up 2.42% in August. MSCI Emerging Europe advanced 4.31% and MSCI Latin America rose 0.21% for the month.

MSCI Asia ex Japan gained 2.08%, while the Hang Seng China Enterprises (HSCEI) index fell 0.54% in August.

IN THIS ISSUE

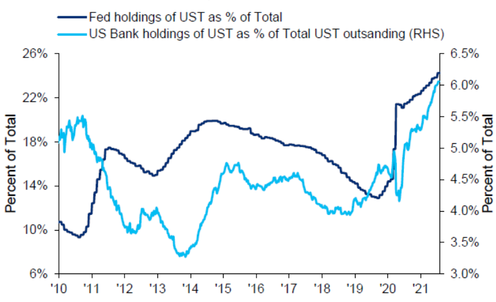
# Fed Signals Tapering Announcement This Year (Continued)

- Citi analysts expect that the announcement is likely pushed from September to November as the Fed awaits more employment data, with the actual taper itself probably starting in December and or January. Once the Fed has finished its taper, it may wait before it then embarks on raising the Fed Funds policy rate just to make sure that the economy has not slowed down. Market consensus is still for US$15bn reduction of purchases each month, resulting in an 8-month timeline to end-of-taper (ending roughly July or August 2022).

- This announcement conforms with Citi's view of the "end of easy money" as expected. It would however likely be gradual with some "real-time adjustments" in timing possible, particularly as the Fed starts raising rates. Citi analysts think the Fed would ultimately like to see the 10y Treasury rate up to at least 2.5% over the next few years, and core consumer price inflation (CPI) near that, but those are medium-term goals.

"The Fed now owns over 25% of all marketable Treasury securities and a similar amount of the MBS market."

Fed and US Bank holdings of US Treasuries continue to gain share




Source: Citi Private Bank. As of 27 August 2021.

- The Fed now owns over 25% of all marketable Treasury securities (US$5.2tn out of US$21tn) and a similar amount of the MBS market (US$2.3tn out of US$8.7tn). As the Fed's ownership of securities has been rising, so have US bank holdings, which receive additional deposits every month due to QE. Once the Fed starts reducing its monthly QE, the "mechanical demand flow" for Treasuries should ease considerably, especially from banks that have been unable to deploy their growing deposits other than by buying securities or by depositing their excess cash at the Federal Reserve (a total of over US$4 trillion in bank reserves is now deposited at the Fed).

- One additional factor that may impact the above is potentially the infrastructure bills and debt ceiling, which are at this point becoming increasingly related as both political parties entrench. Citi analysts expect that the Fed may not want to see a sudden rise in rates interjecting monetary policy considerations into these fiscal policy negotiations. While yields may rise, this is yet another reason that Citi analysts believe the rise could be gradual. Once the debt ceiling has been raised, the Treasury is likely to quickly replenish its Treasury General Account (TGA) coffers with new debt issuance, which in turn should be supported by money-market fund purchases.

# UK Equities: Rising Share Buybacks, Dividend Payouts, M&A Activity

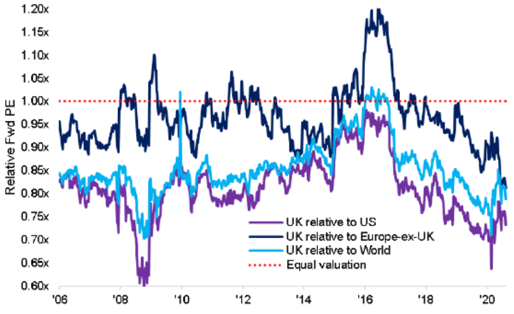
Citi analysts went overweight UK equities in November 2020 and added to the overweight in February 2021.

- The UK market has risen 11.2% so far this year (as of 16 Aug), and 17.2% over the past 12 months. However, it is still 7% below the pre COVID-19 high and 10% below the all-time high. In addition to a very sharp recovery in average EPS growth of over 60% this year, a key reason for Citi's overweight position is the cheap market valuation of 13X.

- There are now clear catalysts for some of the value to be unlocked, with the sharp rise in share buyback activity, companies resuming dividend payments and many raising the dividend payouts. Firms that are not cost-cutting and streamlining their business models to drive the necessary cashflow are increasingly facing the threat of takeover. Many of these takeovers are from foreign companies, which are encouraged by the fact that the Brexit fallout is less than feared and the COVID-19 vaccine progress has been rapid.

"A key reason for Citi's overweight position on the UK is the cheap market valuation of 13X."

UK market is cheap in absolute and relative terms.
Relative forward 12-month price to earnings




Source: Citi Private Bank. As of 16 August 2021.

- At a global level, Citi is increasingly focused on quality companies as the pandemic progresses. The UK has many listed companies that meet Citi's quality criteria, including strong brands built up over many years, and strong balance sheets and cashflows. However, for a prolonged period, local institutional demands have been mainly for high income and less for capital gain, while the five-year Brexit negotiations held back foreign portfolio investor interest. As a direct consequence of these two factors, the stock valuations of many of these quality companies are cheap even after the 17% market rally over the past 12 months.

- With companies either being more proactive in using their cash piles or risking predators, there is very likely to be rising institutional interest in the market. Underpinning this growing institutional interest is low ownership in a cheap market with great cyclical exposure, value, and dividend attractions.

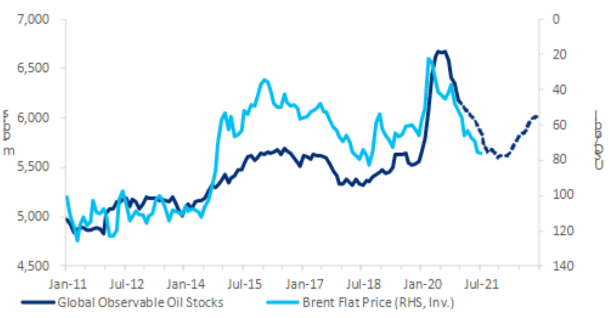
## Commodities: Confronting Stronger Headwinds

Citi analysts' base case is neutral-to-bullish commodities in 2H'21, but the market faces an array of macro concerns that have caused financial flows to soften recently, not least the spreading of delta variant and tighter monetary policy.

- Crude Oil: Citi analysts maintain base case for Brent in 2H'21 to be in a range of US$75-80 a barrel, but it is more likely that they could be higher. OPEC+ continues to support the market with its longer-term plan to bring all oil taken off the market last year back into the market by end-2022. As market fundamentals stay firm, oil prices have however been in a tug of war with financial flows that proved fickle given macro concerns including COVID-19 delta outbreaks. Weaker demand at year-end could result in further weaknesses in 2022 balances, where Citi analysts see stock builds resulting average Brent prices moving down into the mid-US$60 range, falling to the US$50 range in 2023.

"Oil prices have been in a tug of war with financial flows that proved fickle given macro concerns including COVID-19 delta outbreak."

Global oil stocks in days of demand cover vs. Brent price, monthly




Source: Citi Research. As of 11 August 2021.

- Gold: Gold did well to pare back losses after an early August 'flash crash' but its broader underperformance and weakening beta to ultra-low US real yields point to a trend of subdued investor demand. Fed tapering risks and higher rates skew Citi analysts' base case modestly bearish heading into 4Q'21 (forecasting US$1,675). September could be a negative inflection point for gold as US vaccination mandates (rather than lockdowns) gain traction, economic data could stay robust, and the Fed tapering outlook gets explicitly priced. A less contained COVID-19 delta spread could however restrain the Fed and be supportive of gold prices.

- Bulks and metals: Copper is on track to retrace its February highs and Citi analysts forecast another 10-12% rally in prices to US$5/lb over the next 3 months. It has essentially traded sideways since June, which is notably resilient considering net speculative and China State Reserve Bureau (SRB) sales. Breaking higher is increasingly dependent on higher container freight supply to improve copper offtake.

# ESG: Greening the Portfolio

Traditional energy use and investments suffered in 2020 while alternative energy advanced. Despite a recent reversal, Citi expects further progress for alternatives and energy efficiency.

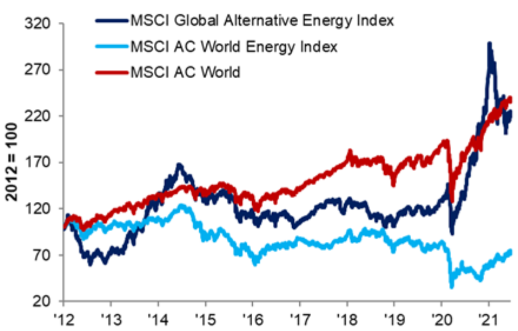
- Plunging fossil fuel consumption during lockdowns may have given us a preview of the future. Business travel and commuting may initially resume significantly as the pandemic retreats, but Citi analysts believe increased remote working and video conferencing are here to stay.

- Technological progress is making solar-powered batteries and green energy more economical. Citi analysts believe that developments like these are likely to hasten the greening of energy in the coming years. Ultimately, fossil fuel consumption may decline.

- Advances in energy efficiency can ease the mass adoption of electric vehicles (EV). While the EV revolution is still in its early stages, Citi analysts believe that it is taking place in parallel with a historic advance in efficiency.

"In 2021 so far, alternative energy has underperformed its traditional counterpart."

Global equities, energy sector, alternative energy



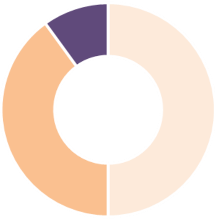

Source: Citi Research. As of 27 June 2021

- In 2021 so far, alternative energy has underperformed its traditional counterpart. Alternative energy posted a 106% total return in 2020 but are down 25% from the January peak after. The traditional energy sector only regained half of its pandemic losses in 2020, finishing the year 30% down. However, it has returned 47% in the year-to-date (as of 27 June). Nevertheless, Citi analysts think that last year's trend of alternative energy outperforming traditional energy is likelier to prove the more relevant template for longer future.

- More investors are scrutinizing companies' performance in relation to environmental, social and governance (ESG) issues. Such investors understand the climate-associated risks to operations and the pending regulatory risks to companies that do not transition quickly enough. Not only are investors seeking evidence of climate risk mitigation in their investments, many are also seeking investment growth opportunities around the creation of technology and infrastructure to enable the achievement of net zero.

# 3Q21 Model Portfolios

## Risk Level 2: Conservative



| | Weight | Change (QoQ) |
|---|---|---|
| Global Investment Grade Bonds | 50% | → 0% |
| APAC ex JP / Emerging Market Bonds | 40% | → 0% |
| Cash | 10% | → 0% |

## Risk Level 3: Moderate

| | Weight | Change (QoQ) |
|---|---|---|
| Global Investment Grade Bonds | 22% | → 0% |
| Global High Yield Bonds | 4% | ↑ 2% |
| APAC ex JP / Emerging Market Bonds | 11% | → 0% |
| US Equities | 32% | ↑ 1% |
| Europe Equities | 8% | ↓ -1% |
| Japan Equities | 4% | ↓ -1% |
| Asia ex Japan Equities | 17% | → 0% |
| Cash | 2% | ↓ -1% |

## Risk Level 4: Aggressive

| | Weight | Change (QoQ) |
|---|---|---|
| Global Investment Grade Bonds | 3% | → 0% |
| Global High Yield Bonds | 3% | ↑ 2% |
| APAC ex JP / Emerging Market Bonds | 2% | → 0% |
| US Equities | 39% | → 0% |
| Europe Equities | 11% | → 0% |
| Japan Equities | 4% | ↓ -1% |
| Asia ex Japan Equities | 22% | → 0% |
| GEM ex-Asia | 2% | ↓ -2% |
| Commodities | 0% | → 0% |
| Hedge Funds | 12% | → 0% |
| Cash | 2% | ↑ 1% |

## Risk Level 5/6: Very Aggressive / Specialized

| | Weight | Change (QoQ) |
|---|---|---|
| US Equities | 45% | ↑ 2% |
| Europe Equities | 9% | ↓ -1% |
| Japan Equities | 4% | → 0% |
| Asia ex Japan Equities | 25% | ↓ -1% |
| GEM ex-Asia | 3% | → 0% |
| Hedge Funds | 14% | → 0% |

# World Market at a Glance

| | Last price | 52-Week | 52-Week | Historical Returns (%) | | | |
|---|---|---|---|---|---|---|---|
| | 31-Aug-21 | High | Low | 1 week | 1 month | 1 year | Year-to-date |
| **US / Global** | | | | | | | |
| **Dow Jones Industrial Average** | 35360.73 | 35631.19 | 26143.77 | -0.02% | 1.22% | 24.38% | 15.53% |
| **S&P 500** | 4522.68 | 4537.36 | 3209.45 | 0.81% | 2.90% | 29.21% | 20.41% |
| **NASDAQ** | 15259.24 | 15288.08 | 10519.49 | 1.59% | 4.00% | 29.59% | 18.40% |
| **Europe** | | | | | | | |
| **MSCI Europe** | 564.94 | 571.67 | 402.49 | 0.14% | 1.38% | 26.53% | 13.59% |
| **Stoxx Europe 600** | 470.88 | 476.16 | 338.57 | -0.19% | 1.98% | 28.48% | 18.01% |
| **FTSE100** | 7119.70 | 7224.46 | 5525.52 | -0.09% | 1.24% | 19.39% | 10.20% |
| **CAC40** | 6680.18 | 6913.67 | 4512.57 | 0.24% | 1.02% | 35.03% | 20.33% |
| **DAX** | 15835.09 | 16030.33 | 11450.08 | -0.44% | 1.87% | 22.32% | 15.43% |
| **Japan** | | | | | | | |
| **NIKKEI225** | 28089.54 | 30714.52 | 22878.71 | 1.29% | 2.95% | 21.39% | 2.35% |
| **Topix** | 1960.70 | 2013.71 | 1577.45 | 1.37% | 3.14% | 21.17% | 8.65% |
| **Emerging Markets** | | | | | | | |
| **MSCI Emerging Market** | 1308.67 | 1449.38 | 1053.02 | 3.04% | 2.42% | 18.81% | 1.35% |
| **MSCI Latin America** | 2514.72 | 2710.18 | 1791.23 | 2.66% | 0.21% | 29.93% | 2.57% |
| **MSCI Emerging Europe** | 194.36 | 195.06 | 119.51 | 1.73% | 4.31% | 31.73% | 19.37% |
| **MSCI EM Middle East & Africa** | 283.03 | 283.97 | 199.10 | 2.33% | 3.26% | 31.99% | 17.31% |
| **Brazil Bovespa** | 118781.00 | 131190.30 | 93386.60 | -1.19% | -2.48% | 19.54% | -0.20% |
| **Russia RTS** | 1684.16 | 1695.46 | 1039.51 | 1.40% | 3.59% | 33.81% | 21.38% |
| **Asia** | | | | | | | |
| **MSCI Asia ex-Japan** | 837.64 | 959.95 | 693.38 | 2.81% | 2.08% | 15.59% | -0.63% |
| **Australia S&P/ASX 200** | 7534.90 | 7632.80 | 5763.20 | 0.43% | 1.92% | 24.33% | 14.39% |
| **China HSCEI (H-shares)** | 9183.76 | 12271.60 | 8644.64 | 0.94% | -0.54% | -8.08% | -14.48% |
| **China Shanghai Composite** | 3543.94 | 3731.69 | 3202.34 | 0.84% | 4.31% | 4.37% | 2.04% |
| **Hong Kong Hang Seng** | 25878.99 | 31183.36 | 23124.25 | 0.59% | -0.32% | 2.79% | -4.97% |
| **India Sensex30** | 57552.39 | 57625.26 | 36495.98 | 2.85% | 9.44% | 48.99% | 20.53% |
| **Indonesia JCI** | 6150.30 | 6504.99 | 4754.80 | 1.00% | 1.32% | 17.41% | 2.86% |
| **Malaysia KLCI** | 1601.38 | 1695.96 | 1452.13 | 3.09% | 7.14% | 4.99% | -1.59% |
| **Korea KOSPI** | 3199.27 | 3316.08 | 2266.93 | 1.94% | -0.10% | 37.53% | 11.34% |
| **Philippines PSE** | 6855.44 | 7432.40 | 5695.78 | 2.64% | 9.33% | 16.51% | -3.98% |
| **Singapore STI** | 3055.05 | 3237.23 | 2420.84 | -1.69% | -3.53% | 20.63% | 7.43% |
| **Taiwan TAIEX** | 17490.29 | 18034.19 | 12149.81 | 3.99% | 1.41% | 38.91% | 18.72% |
| **Thailand SET** | 1638.75 | 1643.76 | 1187.49 | 3.26% | 7.68% | 25.03% | 13.07% |
| **Commodity** | | | | | | | |
| **Oil** | 68.50 | 76.98 | 33.64 | 1.42% | -7.37% | 60.76% | 41.18% |
| **Gold spot** | 1813.62 | 1992.51 | 1676.89 | 0.59% | -0.03% | -7.84% | -4.46% |

Source: Bloomberg as of 31 August 2021.

## Currency Forecasts

| | | Last price | Forecasts | | | |
|---|---|---|---|---|---|---|
| | **Currency** | 31-Aug-21 | **Sep-21** | **Dec-21** | **Mar-22** | **Jun-22** |
| **G10-US Dollar** | | | | | | |
| **Euro** | EURUSD | 1.18 | 1.19 | 1.18 | 1.16 | 1.16 |
| **Japanese yen** | USDJPY | 110.0 | 110 | 111 | 112 | 112 |
| **British Pound** | GBPUSD | 1.38 | 1.39 | 1.40 | 1.41 | 1.42 |
| **Swiss Franc** | USDCHF | 0.92 | 0.92 | 0.94 | 0.96 | 0.97 |
| **Australian Dollar** | AUDUSD | 0.73 | 0.78 | 0.78 | 0.78 | 0.78 |
| **New Zealand** | NZDUSD | 0.70 | 0.70 | 0.69 | 0.69 | 0.69 |
| **Canadian Dollar** | USDCAD | 1.26 | 1.20 | 1.20 | 1.20 | 1.20 |
| **EM Asia** | | | | | | |
| **Chinese Renminbi** | USDCNY | 6.46 | 6.38 | 6.34 | 6.30 | 6.17 |
| **Hong Kong** | USDHKD | 7.78 | 7.77 | 7.78 | 7.78 | 7.78 |
| **Indonesian Rupiah** | USDIDR | 14,268 | 14,431 | 14,658 | 14,880 | 14,918 |
| **Indian Rupee** | USDINR | 73.0 | 74.2 | 74.6 | 75.0 | 75.2 |
| **Korean Won** | USDKRW | 1,159 | 1,121 | 1,123 | 1,125 | 1,119 |
| **Malaysian Ringgit** | USDMYR | 4.16 | 4.11 | 4.08 | 4.05 | 4.01 |
| **Philippine Peso** | USDPHP | 49.8 | 49.5 | 49.6 | 49.7 | 49.8 |
| **Singapore Dollar** | USDSGD | 1.34 | 1.32 | 1.31 | 1.29 | 1.28 |
| **Thai Baht** | USDTHB | 32.2 | 32.3 | 32.4 | 32.5 | 32.4 |
| **Taiwan Dollar** | USDTWD | 27.8 | 27.8 | 27.6 | 27.4 | 27.2 |
| **EM Europe** | | | | | | |
| **Czech Koruna** | USDCZK | 21.5 | 21.3 | 21.6 | 22.0 | 21.9 |
| **Hungarian Forint** | USDHUF | 296 | 297 | 302 | 308 | 311 |
| **Polish Zloty** | USDPLN | 3.83 | 3.79 | 3.86 | 3.93 | 3.91 |
| **Israeli Shekel** | USDILS | 3.21 | 3.27 | 3.26 | 3.25 | 3.24 |
| **Russian Ruble** | USDRUB | 73.2 | 72.8 | 72.4 | 72.0 | 72.5 |
| **Turkish Lira** | USDTRY | 8.32 | 9.09 | 9.51 | 9.91 | 9.96 |
| **South African Rand** | USDZAR | 14.52 | 14.40 | 14.69 | 14.97 | 14.91 |
| **EM Latam** | | | | | | |
| **Brazilian Real** | USDBRL | 5.15 | 5.24 | 5.32 | 5.39 | 5.40 |
| **Chilean Peso** | USDCLP | 774 | 754 | 762 | 769 | 763 |
| **Mexican Peso** | USDMXN | 20.1 | 20.1 | 20.5 | 20.8 | 20.9 |
| **Colombian Peso** | USDCOP | 3,772 | 3,783 | 3,840 | 3,895 | 3,827 |

Source: Citi Research as of 31 August 2021.

# Asia Model Portfolio

This section shows the revisions to asset allocations decided by Citibank Asia Model Portfolio Committee on 23 June 2021.

Citibank's Asia Model Portfolios provide a guide to possible diversification of investment portfolios and serve as an asset allocation reference tool both for periodic evaluation and prospective investments. Citibank Model Portfolios are developed by Citibank's in-house Global and Regional investment specialists to cater to investors with various risk profiles (based on Citibank's risk assessment) and provide them with:

- Diversified asset allocations, made uniquely relevant for Asian investors
- Up-to-date asset allocations which are reviewed and revised periodically by Citibank's Research teams to reflect changing market conditions in respect of relevant asset classes
- Access to our best-in-class research from the Global Investment Committee

It is important to note that while Citibank Model Portfolios represent Citibank's best thinking in terms of asset allocation and diversification, they serve only as a guideline for investors based on certain risk profiles. Market movements, changing market views, time horizons and liquidity constraints (among others) may result in a portfolio's asset allocation deviating from the model allocation.

Citibank does not monitor and/or manage individual customer portfolios. For a long term investor, it is advantageous to diversify his/her investment portfolio and consider using Citibank Model Portfolios as a reference in diversification reviews. The suggested allocations are intended to be general in nature and are not to be construed as specific investment advice. Investors are encouraged to consult with their Relationship Managers to determine their allocation needs based on their risk tolerance, suitability and goals.

# Model Portfolio Disclaimers

Investment products are (a) not insured by any government agency; (b) not a deposit or other obligation of, or guaranteed by, the depository institution; and (c) subject to investment risks, including possible loss of the principal amount invested. Past performance is not indicative of future results: prices can go up or down.

This is neither an offer nor solicitation to purchase or sell any security, other investment or service or to attract any funds or deposits. This document does not constitute the distribution of any information or the making of any offer or solicitation by any one in any jurisdiction in which such distribution or offer is not authorized or to any person to whom it is unlawful to distribute such document or make any offer or solicitation. Investors investing in investment products denominated in non-local currency should be aware of the risk of exchange rate fluctuations that may cause a loss of principal. Investment products are not available to US Persons and may not be available in all jurisdictions.

Portfolio diversification is an important element for an investor to consider when making investment decisions. Concentrated positions may entail greater risks than a diversified portfolio. Certain factors that affect the assessment of whether your overall investment portfolio is sufficiently diversified may not be evident from a review of only your account with Citibank. It therefore is important that you carefully review your entire investment portfolio to ensure that it meets your investment goals and is within your risk tolerance, including your objectives for asset and issuer diversification. To discuss your asset allocations and potential strategies to reduce the risk and/or volatility of a concentrated position, please contact your personal banker/relationship manager.

Citibank's Model Portfolio is not a program or offering, but is a diversification tool that is meant for reference purposes only. Model Portfolios are: (i) not binding on the part of the customers; (ii) not monitored by Citibank with respect to customers' individual investment holdings; and (iii) not personalized to the specific needs of any individual customer. Citibank's Model Portfolios are not available to US Persons and may not be available in all jurisdictions.

## Disclaimer

"Citi analysts" refer to investment professionals within Citi Research ("CR"), Citi Global Markets Inc. ("CGMI"), Citi Private Bank ("CPB") and voting members of the Citi Global Investment Committee. Citibank N.A. and its affiliates / subsidiaries provide no independent research or analysis in the substance or preparation of this document.

The information in this document has been obtained from reports issued by CGMI and CPB. Such information is based on sources CGMI and CPB believe to be reliable. CGMI and CPB, however, do not guarantee its accuracy and it may be incomplete or condensed. All opinions and estimates constitute CGMI and CPB's judgment as of the date of the report and are subject to change without notice. This document is for general information purposes only and is not intended as a recommendation or an offer or solicitation for the purchase or sale of any security or currency. No part of this document may be reproduced in any manner without the written consent of Citibank N.A. Information in this document has been prepared without taking account of the objectives, financial situation, or needs of any particular investor. Any person considering an investment should consider the appropriateness of the investment having regard to their objectives, financial situation, or needs, and should seek independent advice on the suitability or otherwise of a particular investment. Investments are not deposits, are not obligations of, or guaranteed or insured by Citibank N.A., Citigroup Inc., or any of their affiliates or subsidiaries, or by any local government or insurance agency, and are subject to investment risk, including the possible loss of the principal amount invested. Investors investing in funds denominated in non-local currency should be aware of the risk of exchange rate fluctuations that may cause a loss of principal. Past performance is not indicative of future performance, prices can go up or down. Investment products are not available to US persons. Investors should be aware that it is his/her responsibility to seek legal and/or tax advice regarding the legal and tax consequences of his/her investment transactions. If an investor changes residence, citizenship, nationality, or place of work, it is his/her responsibility to understand how his/her investment transactions are affected by such change and comply with all applicable laws and regulations as and when such becomes applicable. Citibank does not provide legal and/or tax advice and is not responsible for advising an investor on the laws pertaining to his/her transaction.

Citi Research (CR) is a division of Citigroup Global Markets Inc. (the "Firm"), which does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the Firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision. For more information, please refer to https://www.citivelocity.com/cvr/eppublic/citi_research_disclosures.

## Market Specific Disclosures

### Australia

This document is distributed in Australia by Citigroup Pty Limited ABN 88 004 325 080, AFSL No. 238098, Australian credit licence 238098. Any advice is general advice only. It was prepared without taking into account your objectives, financial situation, or needs. Before acting on this advice you should consider if it's appropriate for your particular circumstances. You should also obtain and consider the relevant Product Disclosure Statement and terms and conditions before you make a decision about any financial product, and consider if it's suitable for your objectives, financial situation, or needs. Investors are advised to obtain independent legal, financial, and taxation advice prior to investing. Past performance is not an indicator of future performance. Investment products are not available to US people and may not be available in all jurisdictions.

### Bahrain

This document is distributed in Bahrain by Citibank, N.A., Bahrain. Citibank, N.A., Bahrain, may in its sole and absolute discretion provide various materials relating to the securities for information purposes only. Citibank, N.A., Bahrain is licensed by the Central Bank of Bahrain as a Conventional Retail and Wholesale Bank and is bound by the CBB's regulations and licensing conditions with regards to products and services provided by Citibank, N.A. Bahrain. These terms are governed by and shall be construed in accordance with the laws of the Kingdom of Bahrain. The Customer irrevocably agrees that the civil courts in the Bahrain shall have non-exclusive jurisdiction to hear and determine any suit, action or proceeding and to settle any disputes which may arise out of or in connection with these Terms and Conditions and for such purposes the Customer irrevocably submits to the jurisdiction of such courts. Investment products are not insured by government or governmental agencies. Investment and Treasury products are subject to Investment risk, including possible loss of principal amount invested. Past performance is not indicative of future results: prices can go up or down. Investors investing in investments and/or treasury products denominated in foreign (non-local) currency should be aware of the risk of exchange rate fluctuations that may cause loss of principal when foreign currency is converted to the investors' home currency. Investment and Treasury products are not available to U.S. persons. All applications for investments and treasury products are subject to Terms and Conditions of the individual investment and Treasury products. Customer understands that it is his/her responsibility to seek legal and/or tax advice regarding the legal and tax consequences of his/her investment transactions. If customer changes residence, citizenship, nationality, or place of work, it is his/her responsibility to understand how his/her investment transactions are affected by such change and comply with all applicable laws and regulations as and when such becomes applicable. Customer understands that Citibank does not provide legal and/or tax advice and are not responsible for advising him/her on the laws pertaining to his/her transaction. Citibank Bahrain does not provide continuous monitoring of existing customer holdings.

### People's Republic of China

This document is distributed by Citibank (China) Co., Ltd in the People's Republic of China (excluding the Special Administrative Regions of Hong Kong and Macau, and Taiwan).

### Hong Kong

This document is distributed in Hong Kong by Citibank (Hong Kong) Limited ("CHKL") and Citibank N.A.. Citibank N.A. and its affiliates / subsidiaries provide no independent research or analysis in the substance or preparation of this document. Investment products are not available to US persons and not all products and services are provided by all affiliates or are available at all locations. Prices and availability of financial instruments can be subject to change without notice. Certain high-volatility investments can be subject to sudden and large falls in value that could equal the amount invested.

### India

This document is distributed in India by Citibank N.A. Investment are subject to market risk including that of loss of principal amounts invested. Products so distributed are not obligations of, or guaranteed by, Citibank and are not bank deposits. Past performance does not guarantee future performance. Investment products cannot be offered to US and Canada Persons. Investors are advised to read and understand the Offer Documents carefully before investing.

## Market Specific Disclosures

### Indonesia
This report is made available in Indonesia through Citibank N.A., Indonesia Branch. Citibank N. A., is a bank that is licensed, registered and supervised by the Indonesia Financial Services Authority (OJK).

### Korea
This document is distributed in South Korea by Citibank Korea Inc. Investors should be aware that investment products are not guaranteed by the Korea Deposit Insurance Corporation and are subject to investment risk including the possible loss of the principal amount invested. Investment products are not available to US persons.

### Malaysia
Investment products are not deposits and are not obligations of, not guaranteed by, and not insured by, Citibank Berhad, Citibank N.A., Citigroup Inc. or any of their affiliates or subsidiaries, or by any government or insurance agency. Investment products are subject to investment risks, including the possible loss of the principal amount invested. These are provided for general information only and are not intended as a recommendation or an offer or solicitation for the purchase or sale of any security or currency or other investment products. Citibank Berhad does not represent the information herein as accurate, true or complete, makes no warranty express or implied regarding it and no liability whatsoever will be accepted by Citibank Berhad, whether in contract, tort or otherwise, for the accuracy or completeness of such information including any error of fact or omission herein which may lead to any direct or consequential loss, damages, costs or expenses arising from any reliance upon or use of the information in the material. The contents of these materials have not been reviewed by the Securities Commission Malaysia.

### Philippines
This document is made available in Philippines by Citicorp Financial Services and Insurance Brokerage Phils. Inc, and Citibank N.A. Philippine Branch. Investors should be aware that Investment products are not insured by the Philippine Deposit Insurance Corporation or Federal Deposit Insurance Corporation or any other government entity.

### Singapore
This report is distributed in Singapore by Citibank Singapore Limited (“CSL”). Investment products are not insured under the provisions of the Deposit Insurance and Policy Owners’ Protection Schemes Act of Singapore and are not eligible for deposit insurance coverage under the Deposit Insurance Scheme.

### Thailand
This document contains general information and insights distributed in Thailand by Citigroup and is made available in English language only. Citi does not dictate or solicit investment in any specific securities and similar products. Investment contains certain risk, please study prospectus before investing. Not an obligation of, or guaranteed by, Citibank. Not bank deposits. Subject to investment risks, including possible loss of the principal amount invested. Subject to price fluctuation. Past performance does not guarantee future performance. Not offered to US persons.

### UAE
This document is distributed in UAE by Citibank, N.A. UAE. This is not an official statement of Citigroup Inc. and may not reflect all of your investments with or made through Citibank. For an accurate record of your accounts and transactions, please consult your official statement. Before making any investment, each investor must obtain the investment offering materials, which include a description of the risks, fees and expenses and the performance history, if any, which may be considered in connection with making an investment decision. Each investor should carefully consider the risks associated with the investment and make a determination based upon the investor’s own particular circumstances, that the investment is consistent with the investor’s investment objectives. At any time, Citigroup companies may compensate affiliates and their representatives for providing products and services to clients.

### United Kingdom
This document is distributed in the U.K. by Citibank UK Limited and in Jersey by Citibank N.A., Jersey Branch.

Citibank UK Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our firm’s Financial Services Register number is 805574. Citibank UK Limited is a company limited by shares registered in England and Wales with registered address at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, Companies House Registration No. 11283101.

Citibank N.A., Jersey Branch is regulated by the Jersey Financial Services Commission. Citi International Personal Bank is registered in Jersey as a business name of Citibank N.A. The address of Citibank N.A., Jersey Branch is P.O. Box 104, 38 Esplanade, St Helier, Jersey JE4 8QB. Citibank N.A. is incorporated with limited liability in the USA. Head office: 399 Park Avenue, New York, NY 10043, USA.



### Vietnam
This document is distributed in Vietnam by Citibank, N.A., - Ho Chi Minh City Branch and Citibank, N.A. - Hanoi Branch, licensed foreign bank’s branches regulated by the State Bank of Vietnam. Investment contains certain risk, please study product’s prospectus, relevant disclosures and disclaimers and the terms and conditions for details before investing. Investment products are not offered to US persons.