

CITIGROUP INC
Form 424B2
August 06, 2018

The information in this preliminary pricing supplement is not complete and may be changed. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. This preliminary pricing supplement and the accompanying product supplement, underlying supplement, prospectus supplement and prospectus are not an offer to sell these securities, nor are they soliciting an offer to buy these securities, in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED AUGUST 6, 2018
August---, 2018

Medium-Term Senior Notes, Series N

Citigroup Global Markets Holdings Inc. **Pricing Supplement No. 2018—USNCH1385**

Filed Pursuant to Rule 424(b)(2)
Registration Statement Nos. 333-216372 and 333-216372-01

Callable Barrier Floating Rate Range Accrual Securities Contingent on the Worst Performing of the S&P 500® Index, the Russell 2000® Index and the EURO STOXX 50® Index Due August 31, 2028

Overview

Variable coupon. The contingent interest will accrue on the securities during each quarterly accrual period at a rate based on the 10-year CMS rate *plus* 4.00%, **but only** for each elapsed day during that accrual period on which the accrual condition is satisfied. The accrual condition will be satisfied on an elapsed day **only** if the closing level of **each** of the S&P 500® Index, the Russell 2000® Index and the EURO STOXX 50® Index on that day are greater than or equal to their respective accrual barrier levels specified below. Accordingly, the amount of interest payable for each quarterly accrual period will be contingent on four different variables: (i) the 10-year CMS rate; (ii) the level of the S&P 500® Index; (iii) the level of the Russell 2000® Index; and (iv) the level of the EURO STOXX 50® Index. The amount of interest payable on the securities may be adversely affected by adverse movements in any one of these variables, regardless of the performance of the others. It is possible that the securities will pay low or no interest for extended periods of time or even throughout the entire term.

Call right. We have the right to call the securities for mandatory redemption on any coupon payment date beginning one year after the issue date.

Contingent repayment of principal at maturity. If we do not redeem the securities prior to maturity, your payment at maturity (excluding the final interest payment, if any) will depend on the closing level of the **worst performing** underlying index on the final valuation date. If the closing level of the worst performing underlying index is greater than or equal to its final barrier level specified below, you will be repaid the stated principal amount of your securities at maturity. However, if the closing level of the worst performing underlying index on the final valuation date is less than its final barrier level, you will lose 1% of the stated principal amount of your securities for every 1% by which the worst performing underlying index has depreciated from its initial index level. There is no minimum payment at maturity.

§ The securities offered by this pricing supplement are unsecured senior debt securities issued by Citigroup Global Markets Holdings Inc. and guaranteed by Citigroup Inc. Investors in the securities must be willing to accept (i) an investment that may have limited or no liquidity and (ii) the risk of not receiving any amount due under the securities

if we and Citigroup Inc. default on our obligations. **All payments on the securities are subject to the credit risk of Citigroup Global Markets Holdings Inc. and Citigroup Inc.**

KEY TERMS

Issuer: Citigroup Global Markets Holdings Inc., a wholly owned subsidiary of Citigroup Inc.
Guarantee: All payments due on the securities are fully and unconditionally guaranteed by Citigroup Inc.
Aggregate stated principal amount: \$
Stated principal amount: \$1,000 per security
Underlying indices: S&P 500® Index, Russell 2000® Index and EURO STOXX 50® Index
Pricing date: August 28, 2018
Issue date: August 31, 2018
Final valuation date: August 28, 2028, subject to postponement if such date is not a scheduled trading day or if a market disruption event occurs on that date
Maturity date: Unless earlier redeemed, August 31, 2028
 Unless earlier redeemed, at maturity you will receive for each \$1,000 stated principal amount of securities you hold (in addition to the final coupon payment, if any):

· If the final index level of the worst performing underlying index is **greater than or equal to** its final barrier level: \$1,000

Payment at maturity: · If the final index level of the worst performing underlying index is **less than** its final barrier level: \$1,000 + (\$1,000 × the index return of the worst performing underlying index)

If the final index level of the worst performing underlying index is less than its final barrier level, your payment at maturity will be less, and possibly significantly less, than \$600.00 per security. You should not invest in the securities unless you are willing and able to bear the risk of losing a significant portion, and up to all, of your investment.

Coupon payments: On each coupon payment date, you will receive a coupon payment at an annual rate equal to the variable coupon rate for that coupon payment date. The variable coupon rate for any coupon payment date will be determined as follows:

relevant contingent rate per annum ×
$$\frac{\text{number of accrual days during the related accrual period}}{\text{number of elapsed days during the related accrual period}}$$

Each quarterly coupon payment per security will be equal to (i) \$1,000.00 multiplied by the applicable coupon rate per annum divided by (ii) 4. If the number of accrual days in a given accrual period is less than the number of elapsed days in that accrual period, the variable coupon rate for the related coupon payment date will be less than the full relevant contingent rate, and if there are no accrual days in a given accrual period, the variable coupon rate for the related coupon payment date will be 0.00%.

Relevant contingent rate: The relevant contingent rate for any coupon payment date means CMS10 (as of the CMS10 determination date for the related accrual period) plus 4.00%, subject to a minimum relevant

contingent rate of 0.00% per annum.

If CMS10 for any accrual period is less than or equal to -4.00%, the relevant contingent rate for that accrual period will be 0.00% and you will not receive any coupon payment on the related coupon payment date.

CMS10:	The 10-year constant maturity swap rate (see “Information About CMS10” below)		
CMS10 determination date:	The second U.S. government securities business day prior to the first day of the relevant accrual period		
Listing:	The securities will not be listed on any securities exchange		
Underwriter:	Citigroup Global Markets Inc. (“CGMI”), an affiliate of the issuer, acting as principal		
Underwriting fee and issue price:	Issue Price⁽¹⁾⁽²⁾	Underwriting Fee⁽³⁾	Proceeds to Issuer⁽³⁾
Per security:	\$1,000.00	\$25.00	\$975.00
Total:	\$	\$	\$

(Key Terms continued on next page)

(1) Citigroup Global Markets Holdings Inc. currently expects that the estimated value of the securities on the pricing date will be at least \$850 per security, which will be less than the issue price. The estimated value of the securities is based on CGMI’s proprietary pricing models and our internal funding rate. It is not an indication of actual profit to CGMI or other of our affiliates, nor is it an indication of the price, if any, at which CGMI or any other person may be willing to buy the securities from you at any time after issuance. See “Valuation of the Securities” in this pricing supplement.

(2) The issue price for investors purchasing the securities in fee-based advisory accounts will be \$975 per security.

(3) The underwriting fee is variable but will not exceed \$25 per security. The per security proceeds to issuer above represent the minimum per security proceeds to issuer, assuming the maximum per security underwriting fee. For more information on the distribution of the securities, see “Supplemental Plan of Distribution” in this pricing supplement. In addition to the underwriting fee, CGMI and its affiliates may profit from expected hedging activity related to this offering, even if the value of the securities declines. See “Use of Proceeds and Hedging” in the accompanying prospectus.

Investing in the securities involves risks not associated with an investment in conventional debt securities. See “Summary Risk Factors” beginning on page PS-7.

Neither the Securities and Exchange Commission (the “SEC”) nor any state securities commission has approved or disapproved of the securities or determined that this pricing supplement and the accompanying product supplement, underlying supplement, prospectus supplement and prospectus are truthful or complete. Any representation to the contrary is a criminal offense. *You should read this pricing supplement together with the accompanying product supplement, underlying supplement, prospectus supplement and prospectus, which can be accessed via the following hyperlinks:*

Product Supplement No. IE-05-05 dated April 7, 2017 Underlying Supplement No. 7 dated July 16, 2018 Prospectus Supplement and Prospectus each dated April 7, 2017

The securities are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank.

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KEY TERMS

(CONTINUED)

Coupon payment dates:	The last calendar day of each February, May, August and November, beginning on November 30, 2018, except that the final coupon payment date will be the maturity date (or the earlier date on which we redeem the securities, if applicable)
Accrual period:	For each coupon payment date, the period from and including the immediately preceding coupon payment date (or, in the case of the first accrual period, the issue date) to but excluding such coupon payment date
Accrual day:	An elapsed day on which the accrual condition is satisfied
Elapsed day:	Calendar day
Accrual condition:	The accrual condition will be satisfied on an elapsed day if, and only if, the closing level of each of the underlying indices are greater than or equal to their respective accrual barrier levels on that elapsed day. For purposes of determining whether the accrual condition is satisfied on any elapsed day, if the closing level of any of the underlying indices is not available for any reason on that day (including weekends and holidays), the closing level of such underlying index will be assumed to be the same as on the immediately preceding elapsed day (subject to the discussion in the section “Description of the Securities—Terms Related to the Underlying Index—Discontinuance or Material Modification of the Underlying Index” in the accompanying product supplement). In addition, for all elapsed days from and including the fourth-to-last day that is a scheduled trading day for each underlying index in an accrual period to and including the last elapsed day of that accrual period, the closing levels of the underlying indices will not be observed and will be assumed to be the same as on the elapsed day immediately preceding such unobserved days.
Worst performing underlying index:	The underlying index with the lowest index return on the final valuation date. For the S&P 500® Index: , the closing level of the S&P 500® Index on the pricing date
Initial index level:	For the Russell 2000® Index: , the closing level of the Russell 2000® Index on the pricing date For the EURO STOXX 50® Index: , the closing level of the EURO STOXX 50® Index on the pricing date
Final index level:	For each underlying index, its closing level on the final valuation date For the S&P 500® Index: , 60.00% of the initial index level of the S&P 500® Index
Final barrier level:	For the Russell 2000® Index: , 60.00% of the initial index level of the Russell 2000® Index For the EURO STOXX 50® Index: , 60.00% of the initial index level of the EURO STOXX 50® Index For the S&P 500® Index: , 60.00% of the initial index level of the S&P 500® Index
Accrual barrier level:	For the Russell 2000® Index: , 60.00% of the initial index level of the Russell 2000® Index For the EURO STOXX 50® Index: , 60.00% of the initial index level of the EURO STOXX 50® Index
Index return:	For each underlying index, (i) its final index level <i>minus</i> its initial index level, <i>divided by</i> (ii) its initial index level.
Early redemption:	We have the right to redeem the securities, in whole and not in part, on any coupon payment date on or after September 3, 2019 upon not less than five business days’ notice for an amount in cash equal to 100% of the stated principal amount of your securities plus the coupon payment due on

the date of redemption, if any.

CUSIP / ISIN: 17324CZA7 / US17324CZA79

Additional Information

General. The terms of the securities are set forth in the accompanying product supplement, prospectus supplement and prospectus, as supplemented by this pricing supplement. The accompanying product supplement, prospectus supplement and prospectus contain important disclosures that are not repeated in this pricing supplement. For example, certain events may occur that could affect the amount of any variable quarterly coupon payment you receive and your payment at maturity. These events and their consequences are described in the accompanying product supplement in the sections “Description of the Securities—Terms Related to the Underlying Index—Discontinuance or Material Modification of the Underlying Index” and “Description of the Securities—Terms Related to the Underlying Index—Consequences of a Market Disruption Event; Postponement of the Final Valuation Date,” and not in this pricing supplement. In addition, the accompanying underlying supplement contains important disclosures regarding the underlying indices that are not repeated in this pricing supplement. It is important that you read the accompanying product supplement, underlying supplement, prospectus supplement and prospectus together with this pricing supplement before deciding whether to invest in the securities. Certain terms used but not defined in this pricing supplement are defined in the accompanying product supplement.

Although the accompanying product supplement contemplates only a single underlying index, the securities are linked to three underlying indices. Each of the provisions in the accompanying product supplement referring to the underlying index shall apply separately to each of the underlying indices to which the securities are linked.

Postponement of the final valuation date. If the scheduled final valuation date is not a scheduled trading day for any underlying index or if a market disruption event occurs with respect to any underlying index on the scheduled final valuation date, the final valuation date will be subject to postponement as described in the accompanying product supplement in the section “Description of the Securities—Terms Related to the Underlying Index—Consequences of a Market Disruption Event; Postponement of the Final Valuation Date.” If the scheduled final valuation date is postponed, the closing level of each underlying index in respect of the final valuation date will be determined based on (i) for any underlying index for which the originally scheduled final valuation date is a scheduled trading day and as to which a market disruption event does not occur on the originally scheduled final valuation date, the closing level of such underlying index on the originally scheduled final valuation date and (ii) for any other underlying index, the closing level of such underlying index on the final valuation date as postponed (or, if earlier, the first scheduled trading day for such underlying index following the originally scheduled final valuation date on which a market disruption event did not occur with respect to such underlying index).

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Hypothetical Examples

Variable Coupon Payments

The sections below provide examples of how the variable coupon payments on the securities will be determined. The first section, “—Determining the Hypothetical Relevant Contingent Rate,” provides a limited number of hypothetical examples of how the relevant contingent rate for any accrual period will be determined based on hypothetical values of CMS10, as determined on the second U.S. government securities business day prior to the beginning of the applicable accrual period. The second section, “—Determining the Hypothetical Variable Coupon Rates and Coupon Payment Amounts,” provides a limited number of hypothetical examples of how the coupon payments on the securities will be determined based on a limited number of hypothetical relevant contingent interest rates and a limited number of hypothetical accrual days during a hypothetical accrual period. The figures below have been rounded for ease of analysis.

Determining the Hypothetical Relevant Contingent Rate

The table below presents examples of hypothetical relevant contingent rates based on various hypothetical values of CMS10.

Example Hypothetical CMS10* Hypothetical Relevant Contingent Rate per Annum**

1	-5.00%	0.00%
2	-4.00%	0.00%
3	-3.00%	1.00%
4	-2.00%	2.00%
5	-1.00%	3.00%
6	0.00%	4.00%
7	1.00%	5.00%
8	2.00%	6.00%
9	3.00%	7.00%
10	4.00%	8.00%
11	5.00%	9.00%
12	6.00%	10.00%
13	7.00%	11.00%
14	8.00%	12.00%
15	9.00%	13.00%
16	10.00%	14.00%

* Hypothetical CMS10 = CMS10, where CMS10 is determined on the second U.S. government securities business day prior to the beginning of the applicable accrual period.

** Hypothetical relevant contingent rate per annum for the accrual period = hypothetical CMS10 *plus 4.00%*, subject to a minimum of 0.00% per annum.

Determining the Hypothetical Variable Coupon Rates and Variable Coupon Payment Amounts

The tables below present examples of the hypothetical variable coupon rate and hypothetical variable quarterly coupon payments based on the number of accrual days in a particular accrual period and different assumptions about CMS10. For illustrative purposes only, the tables assume an accrual period that contains 90 elapsed days and that the securities have not previously been redeemed. The actual coupon payment for any coupon payment date will depend on the actual number of accrual days and elapsed days during the related accrual period and the actual CMS10 on the CMS10 determination date for that accrual period. The variable coupon rate for each accrual period will apply only to that accrual period.

Assuming CMS10 is 2.00% on the applicable CMS10 determination date:

Hypothetical Number of Accrual Days in Accrual Period*	Hypothetical Relevant Contingent Rate per Annum**	Hypothetical Variable Coupon Rate per Annum***	Hypothetical Variable Quarterly Coupon Payment per Security****
0	6.00%	0.000%	\$0.00
15	6.00%	1.000%	\$2.50
30	6.00%	2.000%	\$5.00
45	6.00%	3.000%	\$7.50
60	6.00%	4.000%	\$10.00
75	6.00%	5.000%	\$12.50

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906.00% 6.000% \$15.00

Assuming CMS10 is 8.00% on the applicable CMS10 determination date:

Hypothetical Number of Accrual Days in Accrual Period*	Hypothetical Relevant Contingent Rate per Annum**	Hypothetical Variable Coupon Rate per Annum***	Hypothetical Variable Quarterly Coupon Payment per Security****
0	12.00%	0.000%	\$0.00
15	12.00%	2.000%	\$5.00
30	12.00%	4.000%	\$10.00
45	12.00%	6.000%	\$15.00
60	12.00%	8.000%	\$20.00
75	12.00%	10.000%	\$25.00
90	12.00%	12.000%	\$30.00

Assuming CMS10 is -4.00% on the applicable CMS10 determination date:

Hypothetical Number of Accrual Days in Accrual Period*	Hypothetical Relevant Contingent Rate per Annum**
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