



# Citigroup US Range Income Plan November 2023 Factsheet



This is a marketing factsheet for professionally advised investors. The factsheet is not investment advice from either IDAD or the issuer, and must not be construed as such by advisers or investors. Capital is at risk and subject to Issuer risk.

# CITIGROUP US RANGE INCOME PLAN

NOVEMBER 2023 FACTSHEET



**TARGET RETURN:** GBP = 10.50% p.a.

## INVESTMENT DESCRIPTION

A 6 year investment product linked to the performance of the S&P 500 Index. The initial Level is the close of business level of the Underlying on the product Strike Date.

The product is designed to deliver income in both rising and falling markets with a range-bound market in mind.

If on any of the annual observation dates, including the Final Observation date, the closing level of the Underlying is between the upper and lower barrier levels, income will be paid.

At the Final Observation date, if the Underlying is at or above 65% of its Initial Level, then full capital is returned. If the Underlying is below 65% of its Initial Level at maturity, capital return will be reduced on a 1-for-1 basis. For example, if the Underlying has fallen to 40% of its Initial Level, 40% of the capital will be returned.

## BENEFITS

- Conditional Income.
- The investment pays income in both rising and falling equity markets
- A good degree of conditional capital protection set at 65% of the initial strike level of the Underlying
- Daily secondary market pricing under normal market conditions.

## RISKS

- The return is limited to the pre-defined investment terms.
- The income payment is conditional upon the performance of the Underlying.
- There is a risk to capital should the Underlying breach the capital protection barrier on its Final Observation date.
- Investors will be exposed to the credit risk of the Issuer. If the Issuer becomes insolvent or cannot make the payments on the Product for any other reason, investors could lose some or all of their investment. A decline in the Issuer's credit quality is likely to reduce the market value of the Product and therefore the price an investor may receive for the Product if they were to sell them in the market.
- Should investors need to sell their investment before maturity, the trading price will likely mean they get back less than they invested.

IDAD was established in 2002 and our approach from the outset, is what we call the "IDAD Difference". The selection of the investments we offer is not decided in terms of profitability alone and when developing investment products, we favour evidence over dogma. We are happy to work with advisers and product providers alike to deliver a range of investment options to suit differing client wealth strategies. We're proud of our approach to business as well as the investments delivered as a result of the "IDAD Difference". We are committed to building upon our reputation for bringing benefits to all involved in the investment process, but most importantly to the clients.

## PRODUCT FACTS & FEATURES

<b>Issuer:</b>	Citigroup Global Markets Funding Luxembourg
<b>Guarantor:</b>	Citigroup Global Markets Limited
<b>Issuer Ratings:</b>	S&P A+, Fitch A+, Moody's A1
<b>Source:</b>	Citi 12.09.2023
<b>Term:</b>	6 years
<b>Investment Structure:</b>	Range Income
<b>Income opportunities:</b>	Annual
<b>Income Rate:</b>	10.50% p.a.
<b>Lower Range:</b>	70% of the initial level
<b>Upper Range:</b>	131.50% of the initial level
<b>Issue Price:</b>	100%
<b>Capital Risk:</b>	Not capital protected
<b>Capital Protection Barrier:</b>	65% Final level (Observed at maturity only)

<b>Underlyings:</b>	<b>Initial Level</b>
<b>US: S&amp;P 500 Index</b>	TBC

## KEY INFORMATION

<b>ISIN:</b>	GBP = XS2671876147
<b>Subscription Period:</b>	14 Sept 2023 – 29 Nov 2023
<b>Strike Date:</b>	30 November 2023
<b>Issue Date:</b>	14 December 2023
<b>1st Income Observation:</b>	02 December 2024
<b>Final Observation:</b>	30 November 2029
<b>Maturity Payment Date:</b>	14 December 2029
<b>Denominations:</b>	Lots of £1
<b>Minimum Investment:</b>	£1,000

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**Citigroup Inc.** is a diversified financial services holding company that provides a broad range of financial services to consumer and corporate customers. The Company services include investment banking, retail brokerage, corporate banking, and cash management products and services. Citigroup serves customers globally.

**Source:** Bloomberg 12.09.2023

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## RATIONALE

Structured products are becoming increasingly popular for investors due to the wide variety of payoffs and levels of protection that can be achieved by the different types of structures that are available.

The opportunity for an income stream can be of key importance to investors as part of their wealth planning. The probability of an income payment being triggered is increased with this investment as the Underlying needs to show a significant fall or gain from the initial level on any observation date before the income stream is disrupted.

The Underlying has been selected in order to support the anticipated delivery of that income.

To manage the capital risk, a final level barrier set at 65% means the Underlying must fall by more than 35% measured at maturity only before capital is at risk.

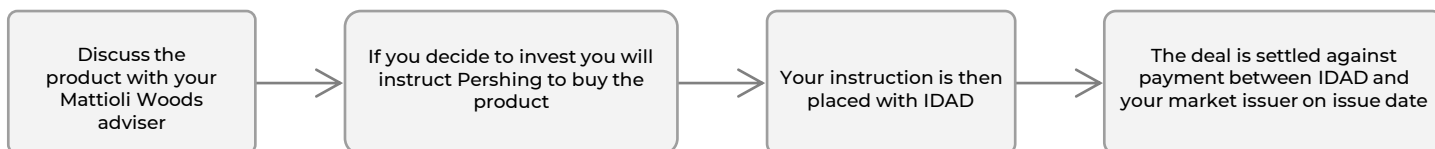
## SUITABILITY

This product may be suitable for investors who:

- Are seeking the opportunity for higher returns than current cash rates at the time this product was launched.
- Are seeking income rather than growth.
- Understand and accept there is a risk to capital and how the Capital Protection Barrier works.
- Understand the impact of global economic issues and how they will affect the product.
- Understand the criteria which will determine the income payments.
- Are looking to invest for the long term, being happy to remain invested until maturity.
- Can afford to have their cash invested for the full term of the product.
- Wish to use this investment as part of a well-diversified portfolio.
- Understand that the returns are pre-defined and that they will forgo growth in the Underlying which exceeds the fixed level of income available with this investment product.
- Understand the risk to capital in the event of an Issuer default.
- Should they need to sell their investment, accept that the trading price will likely mean they get back less than they invested.
- Appreciate that income payments are conditional.

## HOW TO INVEST

This product can be traded using Pershing, your chosen custodian that has permissions to trade and settle the product on your behalf. These can range from Pension Providers, Private Banks and Trading Platforms. This should be discussed with your adviser.



Please note that your cash will be in your account with Pershing until the issue date. Settlement then takes place delivery versus payment where the cash will leave your custody account and you will receive your investment holding into your custody account.

## FEES AND CHARGES

IDAD will receive a fee from the Issuer for arranging this product. The charge has been fully accounted for in the calculation of the product's structure and is not expected to exceed 1.0%. Therefore this means that an investment of £10,000 will generate growth based on £10,000. There may be separate fees charged by your Financial Adviser and your chosen market Issuer. You should discuss this further with them.

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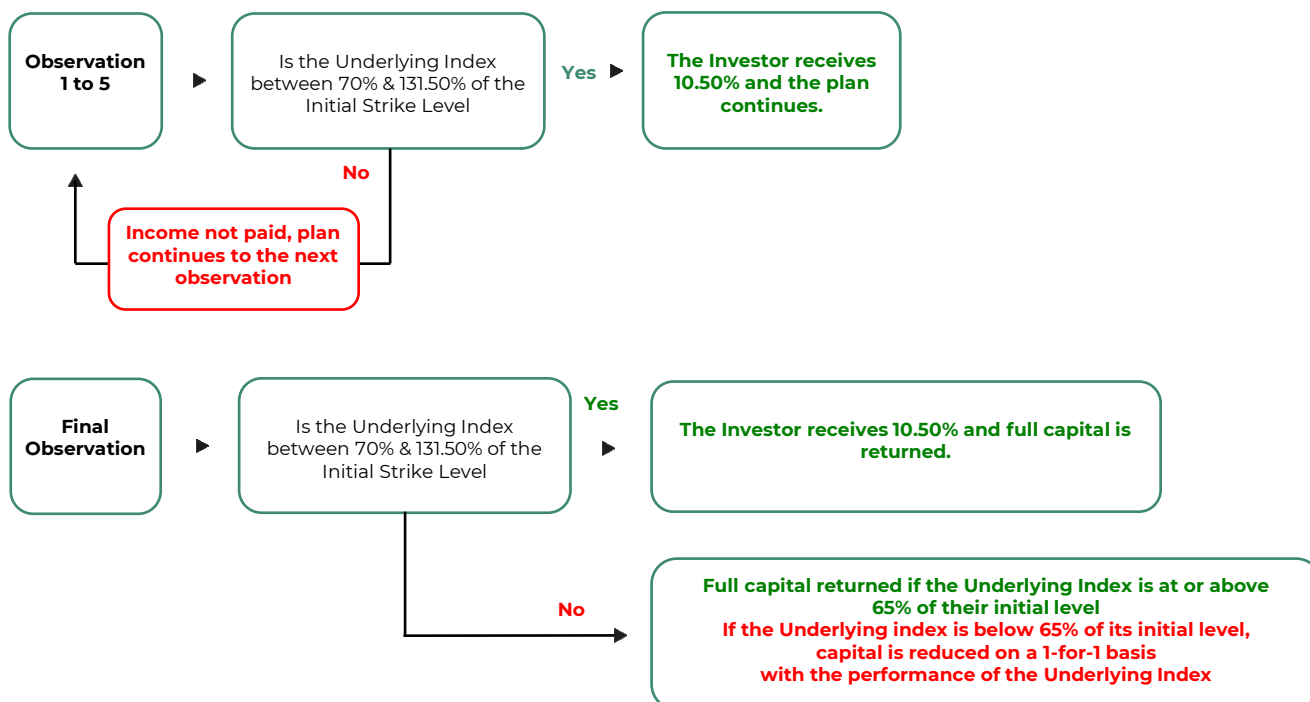
TARGET RETURN: **GBP = 10.50% p.a.**



## OBSERVATION DATES (some dates may vary if a bank holiday or non-business day occurs)

	Observation Date	Payment Date	Lower Barrier	Upper Barrier
1	02 December 2024	16 December 2024	70%	131.50%
2	01 December 2025	15 December 2025	70%	131.50%
3	30 November 2026	14 December 2026	70%	131.50%
4	30 November 2027	14 December 2027	70%	131.50%
5	30 November 2028	14 December 2028	70%	131.50%
6	30 November 2029	14 December 2029	70%	131.50%

## HOW THE INVESTMENT WORKS



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TARGET RETURN: GBP = 10.50% p.a.



## THE UNDERLYING

The **S&P 500®** is widely regarded as the best single gauge of large-cap U.S. equities and serves as the foundation for a wide range of investment products. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

Source: Bloomberg 12.09.2023

## MOVEMENT IN THE UNDERLYINGS OVER A 16 YEAR PERIOD



Factsheet Past performance is not a reliable indicator of future performance and should not be used to assess the future returns or risks.

Source: Bloomberg 12.09.2023 Data period: 31.08.2007 to 31.08.2023

## PLACING TRADES

Trade orders should be sent to [orders@idad.com](mailto:orders@idad.com)

All trades will be settled direct with IDAD's Euroclear a/c 44382

## SECONDARY MARKET

The Issuing bank will endeavour to provide quotes under normal market conditions for trading purposes upon request, subject to a Bid-Offer spread of 1%. On the secondary market, traded prices will include any accrued interest ("dirty prices"). Sale trades will settle 2 days after the trade date.

Trading details as above.

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## RISKS

All investments carry risk. Prior to investing in one of our structured products you need to make sure you fully understand the risks you are taking and accept the level of risk offered by the plan.

Having read over the product factsheet and these risks, if there are any areas that you are still unsure about, please consult with your financial adviser who will be able to help you.

### Issuer Risk

Your money is being used as a form of loan via the issuing bank in exchange for the returns offered by structured product. The bank is legally committed to honour the terms of the plan. It is possible that the Counterparty may go bankrupt or default on their payment.

### Market Risk

Underlying Index performance may be volatile and subject to unpredictable changes over the investment term. The value of your investment is affected by movements in the price of these indices and a fall may result in you not receiving any returns, and/or the loss of some or all of your capital. Your investment does not directly invest in the Underlying indices therefore you are not eligible for dividends or voting rights.

### Early Redemption Risk

You should be prepared to hold any plan until maturity. It may be possible for you to sell this investment back to the Issuer early; however, they are not obliged to buy it and may stop such purchases at any time without notice. IDAD has no control over this: we act as your settlement agent. If you sell the investment early you may not get back what you initially invested.

### Market Disruption Events

It is possible that a market disruption event might occur, such as trading disruption, changes to the indices, changes to index providers or changes in tax legislation. In these circumstances, the Issuer has the right to determine whether any adjustments to the terms of a plan are required. These adjustments may include, but are not limited to: adjustments to the opening or final level of the indices, postponing observation dates and substitution of an index. The Issuer is required to act in good faith when making these adjustments.

### Reinvestment Risk

To invest in a structured product, you need to loan your capital to the Issuer for a set length of time. During this period, a rise or fall in interest rates may present other investment opportunities with a greater yield. You may be able to sell this product back to the Issuer if this situation does occur, however, the price the Issuer offer you may be less than you originally paid.

### Inflation Risk

The value of your initial capital and any returns you may receive are not linked to inflation. If inflation is high over the term of the product, your purchasing power may decrease and so the real return could be low or negative.

### Taxation Risk

Tax legislation may change during the life of the investment. The tax treatment depends on the individual circumstances of each client and is subject to change. IDAD does not provide tax advice and you should seek independent tax advice if in doubt. It is our current understanding that the returns on this note will be subject to income tax. Further information about tax in the UK is available from the government website: [www.gov.uk](http://www.gov.uk).

### FSCS Protection

This product offers no FSCS protection.

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