

CITIGROUP INC
Form 424B2
June 22, 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, 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 JUNE 22, 2018

June---, 2018

Medium-Term Senior Notes, Series N

Citigroup Global Markets Holdings Inc.

Pricing Supplement No. 2018-USNCH1259

Filed Pursuant to Rule 424(b)(2)

**Registration Statement Nos. 333-216372 and
333-216372-01**

Contingent Income Auto-Callable Securities Due July-----, 2021

Based on the Performance of the Ordinary Shares of UBS Group AG

Principal at Risk Securities

Overview

The securities offered by this pricing supplement are unsecured debt securities issued by Citigroup Global Markets Holdings Inc. and guaranteed by Citigroup Inc. The securities offer the potential for quarterly contingent coupon payments at an annualized rate that, if all are paid, would produce a yield that is generally higher than the yield on our conventional debt securities of the same maturity. In exchange for this higher potential yield, you must be willing to accept the risks that (i) your actual yield may be lower than the yield on our conventional debt securities of the same maturity because you may not receive one or more, or any, contingent coupon payments; (ii) your actual yield may be negative because your payment at maturity may be significantly less than the stated principal amount of your securities and possibly zero; and (iii) the securities may be automatically redeemed prior to maturity beginning approximately three months after the issue date. Each of these risks will depend on the performance of the ordinary shares of UBS Group AG (the “underlying shares”), as described below. Although you will be exposed to downside risk with respect to the underlying shares, you will not participate in any appreciation of the underlying shares or receive any dividends paid on the underlying shares.

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 payments 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.
Underlying shares:	Ordinary Shares of UBS Group AG (ticker symbol: “UBS”) (the “underlying share issuer”)
Aggregate stated principal amount:	\$
Stated principal amount:	\$10 per security
Pricing date:	June , 2018 (expected to be June 29, 2018)
Issue date:	July , 2018 (three business days after the pricing date). See “Supplemental Plan of Distribution” in this pricing supplement for additional information.
Valuation dates:	Expected to be September 28, 2018, December 28, 2018, March 29, 2019, June 28, 2019, September 30, 2019, December 30, 2019, March 30, 2020, June 29, 2020, September 29, 2020, December 29, 2020, March 29, 2021 and June 29, 2021 (the “final valuation date”), each subject to postponement if such date is not a scheduled trading day or if certain market disruption events occur.
Maturity date:	Unless earlier redeemed, July , 2021 (expected to be July 2, 2021)
Contingent coupon payment dates:	For each valuation date, the third business day after such valuation date, except that the contingent coupon payment date for the final valuation date will be the maturity date.
Contingent coupon:	On each quarterly contingent coupon payment date, unless previously redeemed, the securities will pay a contingent coupon equal to at least 2.1875% of the stated principal amount of the securities (approximately 8.75% per annum) (to be determined on the pricing date) if and only if the closing price of the underlying shares on the related valuation date is greater than or equal to the downside threshold price. If the closing price of the underlying shares on any quarterly valuation date is less than the downside threshold price, you will not receive any contingent coupon payment on the related contingent coupon payment date.
Automatic early redemption:	If, on any valuation date (other than the final valuation date), the closing price of the underlying shares is greater than or equal to the initial share price, each security you then hold will be automatically redeemed on the related contingent coupon payment date for an amount in cash equal to the early redemption payment. If the securities are redeemed, no further payments will be made.

Early redemption payment:	The stated principal amount of \$10 per security <i>plus</i> the related contingent coupon payment		
	If the securities are not automatically redeemed prior to maturity, for each \$10 stated principal amount security you hold at maturity, you will receive cash in an amount determined as follows:		
	If the final share price is greater than or equal to the downside threshold price: \$10 <i>plus</i> the contingent coupon payment due at maturity		
Payment at maturity:	If the final share price is less than the downside threshold price: \$10 <i>multiplied by</i> the share performance factor		
	If the final share price is less than the downside threshold price, you will receive less, and possibly significantly less, than 80.00% of the stated principal amount of your securities at maturity, and you will not receive any contingent coupon payment at maturity.		
Initial share price:	\$, the closing price of the underlying shares on the pricing date		
Final share price:	The closing price of the underlying shares on the final valuation date		
Downside threshold price:	\$, 80.00% of the initial share price		
Share performance factor:	The final share price <i>divided by</i> the initial share price		
Listing:	The securities will not be listed on any securities exchange		
CUSIP / ISIN:	17326K767 / US17326K7679		
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	Proceeds to issuer
Per security:	\$10.00	\$0.20 ⁽²⁾	\$9.75
		\$0.05 ⁽³⁾	
Total:	\$	\$	\$

(1) Citigroup Global Markets Holdings Inc. currently expects that the estimated value of the securities on the pricing date will be at least \$9.360 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) CGMI, an affiliate of Citigroup Global Markets Holdings Inc. and the underwriter of the sale of the securities, is acting as principal and will receive an underwriting fee of \$0.25 for each \$10 security sold in this offering. Certain

selected dealers, including Morgan Stanley Wealth Management, and their financial advisors will collectively receive from CGMI a fixed selling concession of \$0.20 for each \$10 security they sell. Additionally, it is possible that 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.

(3) Reflects a structuring fee payable to Morgan Stanley Wealth Management by CGMI of \$0.05 for each security.

Investing in the securities involves risks not associated with an investment in conventional debt securities. See “Summary Risk Factors” beginning on page PS-8.

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, prospectus supplement and prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

You should read this pricing supplement together with the accompanying product supplement, prospectus supplement and prospectus, each of which can be accessed via the hyperlinks below:

Product Supplement No. EA-04-06 dated April 7, 2017

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.

Citigroup Global Markets Holdings Inc.

Contingent Income Auto-Callable Securities Due July-----, 2021

Based on the Performance of the Ordinary Shares of UBS Group AG

Principal at Risk Securities

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 whether you receive a contingent coupon payment on a contingent coupon payment date as well as your payment at maturity or, in the case of a delisting of the underlying shares, could give us the right to call the securities prior to maturity for an amount that may be less than the stated principal amount. These events, including market disruption events and other events affecting the underlying shares, and their consequences are described in the accompanying product supplement in the sections “Description of the Securities—Certain Additional Terms for Securities Linked to Company Shares or ETF Shares—Consequences of a Market Disruption Event; Postponement of a Valuation Date,” “—Dilution and Reorganization Adjustments” and “—Delisting of Company Shares,” and not in this pricing supplement. It is important that you read the accompanying product 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.

Dilution and Reorganization Adjustments. The initial share price and the downside threshold price are each a “Relevant Price” for purposes of the section “Description of the Securities—Certain Additional Terms for Securities Linked to Company Shares or ETF Shares—Dilution and Reorganization Adjustments” in the accompanying product supplement. Accordingly, the initial share price and the downside threshold price are each subject to adjustment upon the occurrence of any of the events described in that section.

Investment Summary

The securities provide an opportunity for investors to earn a quarterly contingent coupon payment, which is an amount equal to at least \$0.21875 (at least 2.1875% of the stated principal amount) per security (to be determined on the pricing date), with respect to each quarterly valuation date on which the closing price of the underlying shares is greater than or equal to 80.00% of the initial share price, which we refer to as the downside threshold price. The quarterly contingent coupon payment, if any, will be payable quarterly on the relevant contingent coupon payment date, which is the third business day after the related valuation date or, in the case of the quarterly contingent coupon payment, if any, with respect to the final valuation date, the maturity date. If the closing price of the underlying shares is less than the downside threshold price on any valuation date, investors will receive no quarterly contingent coupon payment for the related quarterly period. It is possible that the closing price of the underlying shares could be below

the downside threshold price on most or all of the valuation dates so that you will receive few or no quarterly contingent coupon payments. We refer to these payments as contingent because there is no guarantee that you will receive a payment on any contingent coupon payment date. Even if the closing price of the underlying shares was at or above the downside threshold price on some quarterly valuation dates, the closing price of the underlying shares may fluctuate below the downside threshold price on others.

If the closing price of the underlying shares is greater than or equal to the initial share price on any valuation date (other than the final valuation date), the securities will be automatically redeemed for an early redemption payment equal to the stated principal amount *plus* the quarterly contingent coupon payment with respect to the related valuation date. If the securities have not previously been automatically redeemed and the final share price is greater than or equal to the downside threshold price, the payment at maturity will also be the sum of the stated principal amount and the quarterly contingent coupon payment with respect to the final valuation date. However, if the securities have not previously been automatically redeemed and the final share price is less than the downside threshold price, investors will be exposed to the decline in the closing price of the underlying shares, as compared to the initial share price, on a 1-to-1 basis. Under these circumstances, the payment at maturity will be (i) the stated principal amount *times* (ii) the share performance factor, which means that the payment at maturity will be less than 80.00% of the stated principal amount of the securities and could be zero. Investors in the securities must be willing to accept the risk of losing their entire principal and also the risk of receiving few or no quarterly contingent coupon payments over the term of the securities. In addition, investors will not participate in any appreciation of the underlying shares.

June 2018 PS-2

Citigroup Global Markets Holdings Inc.

Contingent Income Auto-Callable Securities Due July-----, 2021

Based on the Performance of the Ordinary Shares of UBS Group AG

Principal at Risk Securities

Key Investment Rationale

The securities offer investors an opportunity to earn a quarterly contingent coupon payment equal to at least 2.1875% (to be determined on the pricing date) of the stated principal amount with respect to each valuation date on which the closing price of the underlying shares is greater than or equal to 80% of the initial share price, which we refer to as the downside threshold price. The securities may be automatically redeemed prior to maturity for the stated principal amount per security *plus* the applicable quarterly contingent coupon payment, and the payment at maturity will vary depending on the final share price, as follows:

On any valuation date (other than the final valuation date), the closing price of the underlying shares is greater than or equal to the initial share price.

**Scenario
1**

The securities will be automatically redeemed for (i) the stated principal amount *plus* (ii) the quarterly contingent coupon payment with respect to the related valuation date.

Investors will not participate in any appreciation of the underlying shares from the initial share price.

The securities are not automatically redeemed prior to maturity, and the final share price is greater than or equal to the downside threshold price.

**Scenario
2**

The payment due at maturity will be (i) the stated principal amount *plus* (ii) the quarterly contingent coupon payment with respect to the final valuation date.

Investors will not participate in any appreciation of the underlying shares from the initial share price.

The securities are not automatically redeemed prior to maturity, and the final share price is less than the downside threshold price.

**Scenario
3**

The payment due at maturity will be (i) the stated principal amount *times* (ii) the share performance factor.

Investors will lose a significant portion, and may lose all, of their principal in this scenario.

Citigroup Global Markets Holdings Inc.
Contingent Income Auto-Callable Securities Due July-----, 2021

Based on the Performance of the Ordinary Shares of UBS Group AG

Principal at Risk Securities

How the Securities Work

The following diagrams illustrate potential payments on the securities. The first diagram illustrates how to determine whether a contingent coupon payment will be paid with respect to a quarterly valuation date. The second diagram illustrates how to determine whether the securities will be automatically redeemed following a valuation date (other than the final valuation date). The third diagram illustrates how to determine the payment at maturity if the securities are not automatically redeemed prior to maturity.

Diagram #1: Quarterly Contingent Coupon Payments

Diagram #2: Automatic Early Redemption

June 2018 PS-4

Citigroup Global Markets Holdings Inc.

Contingent Income Auto-Callable Securities Due July-----, 2021

Based on the Performance of the Ordinary Shares of UBS Group AG

Principal at Risk Securities

Diagram #3: Payment at Maturity if No Automatic Early Redemption Occurs

For more information about the payment upon an early automatic redemption or at maturity in different hypothetical scenarios, see “Hypothetical Examples” starting on page PS-6.

June 2018 PS-5

Citigroup Global Markets Holdings Inc.

Contingent Income Auto-Callable Securities Due July-----, 2021

Based on the Performance of the Ordinary Shares of UBS Group AG

Principal at Risk Securities

Hypothetical Examples

The below examples are based on the following terms:

Stated principal amount:	\$10 per security
Hypothetical initial share price:	\$15.00
Hypothetical downside threshold price:	\$12.00, which is 80.00% of the hypothetical initial share price
Hypothetical quarterly contingent coupon payment:	\$0.21875 (2.1875% of the stated principal amount) per security

In Examples 1 and 2, the closing price of the underlying shares fluctuates over the term of the securities and the closing price of the underlying shares is **greater than or equal to** the initial share price on one of the first eleven valuation dates. Because the closing price of the underlying shares is greater than or equal to the initial share price on one of the first eleven valuation dates, the securities are automatically redeemed following the relevant valuation date. In Examples 3 and 4, the closing price of the underlying shares on the first eleven valuation dates is less than the initial share price, and, consequently, the securities are not automatically redeemed prior to, and remain outstanding until, maturity.

	Example 1	Example 2
Valuation	Hypothetical	Quarterly Contingent
Dates	Closing Price of the Underlying Shares	Coupon Payment