

CITIGROUP INC  
Form 424B2  
November 06, 2018

**November 2, 2018**

**Medium-Term Senior Notes, Series N**

Citigroup Global Markets Holdings Inc. **Pricing Supplement No. 2018-USNCH1605**

**Filed Pursuant to Rule 424(b)(2)**

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

33,847 Contingent Income Auto-Callable Securities Due November 5, 2021

Based on the Performance of the Common Stock of Walmart Inc.

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 six months after the issue date. Each of these risks will depend on the performance of the shares of common stock of Walmart Inc. (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**

<b>Issuer:</b>	Citigroup Global Markets Holdings Inc., a wholly owned subsidiary of Citigroup Inc.
<b>Guarantee:</b>	All payments due on the securities are fully and unconditionally guaranteed by Citigroup Inc.
<b>Underlying shares:</b>	Shares of common stock of Walmart Inc. (ticker symbol: “WMT”) (the “underlying share issuer”)
<b>Aggregate stated principal amount:</b>	\$338,470
<b>Stated principal amount:</b>	\$10 per security
<b>Pricing date:</b>	November 2, 2018
<b>Issue date:</b>	November 7, 2018. See “Supplemental Plan of Distribution” in this pricing supplement for additional information.

<b>Valuation dates:</b>	February 4, 2019, May 2, 2019, August 2, 2019, November 4, 2019, February 3, 2020, May 4, 2020, August 3, 2020, November 2, 2020, February 2, 2021, May 3, 2021, August 2, 2021 and November 2, 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.
<b>Maturity date:</b>	Unless earlier redeemed, November 5, 2021
<b>Contingent coupon payment dates:</b>	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.
<b>Contingent coupon:</b>	On each quarterly contingent coupon payment date, unless previously redeemed, the securities will pay a contingent coupon equal to 2.00% of the stated principal amount of the securities (approximately 8.00% per annum) <b>if and only if</b> the closing price of the underlying shares on the related valuation date is greater than or equal to the downside threshold price. <b>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.</b>
<b>Automatic early redemption:</b>	If, on any potential redemption 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.
<b>Early redemption payment:</b>	The stated principal amount of \$10 per security <i>plus</i> the related contingent coupon payment
<b>Potential redemption dates:</b>	Each quarterly valuation date beginning in May 2019 and ending in August 2021
<b>Payment at maturity:</b>	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 <b>greater than or equal to</b> the downside threshold price: \$10 <i>plus</i> the contingent coupon payment due at maturity  If the final share price is <b>less than</b> the downside threshold price: \$10 + (\$10 × the share return)  <b>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,</b>

**and you will not receive any contingent coupon payment at maturity.**

<b>Initial share price:</b>	\$101.34, the closing price of the underlying shares on the pricing date		
<b>Final share price:</b>	The closing price of the underlying shares on the final valuation date		
<b>Downside threshold price:</b>	\$81.072, 80.00% of the initial share price		
<b>Share return:</b>	(i) The final share price <i>minus</i> the initial share price, <i>divided by</i> (ii) the initial share price		
<b>Listing:</b>	The securities will not be listed on any securities exchange		
<b>CUSIP / ISIN:</b>	17326X454 / US17326X4549		
<b>Underwriter:</b>	Citigroup Global Markets Inc. (“CGMI”), an affiliate of the issuer, acting as principal		
<b>Underwriting fee and issue price:</b>	<b>Issue price<sup>(1)(2)</sup></b>	<b>Underwriting fee</b>	<b>Proceeds to issuer</b>
<b>Per security:</b>	\$10.00	\$0.20 <sup>(2)</sup>	\$9.75
		\$0.05 <sup>(3)</sup>	
<b>Total:</b>	\$338,470.00	\$8,461.75	\$330,008.25

(1) On the date of this pricing supplement, the estimated value of the securities is \$9.695 per security, which is 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 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.**

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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 in connection with your investment 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 \$0.20 (2.00% of the stated principal amount) per security, 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 potential redemption date (beginning approximately six months after the issue 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 potential redemption 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 *plus* (ii) (a) the stated principal amount *times* (b) the share return, 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.

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Key Investment Rationale

The securities offer investors an opportunity to earn a quarterly contingent coupon payment equal to 2.00% 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 80.00% 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 potential redemption date (beginning approximately six months after the issue 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 potential redemption 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.

**Scenario  
3**

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

The payment due at maturity will be (i) the stated principal amount *plus* (ii) (a) the stated principal amount *times* (b) the share return.

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

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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 potential redemption 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

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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.

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Hypothetical Examples

The below examples are based on the following terms:

Stated principal amount: \$10 per security  
 Initial share price: \$101.34  
 Downside threshold price: \$81.072, which is 80.00% of the initial share price  
 Quarterly contingent coupon payment: \$0.20 (2.00% 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 potential redemption dates, which begin approximately six months after the issue date. Because the closing price of the underlying shares is greater than or equal to the initial share price on one of the potential redemption dates, the securities are automatically redeemed following the relevant potential redemption date. In Examples 3 and 4, the closing price of the underlying shares on each potential redemption date is less than the initial share price, and, consequently, the securities are not automatically redeemed prior to, and remain outstanding until, maturity.

Valuation Dates	Example 1			Example 2		
	Hypothetical Closing Price of the Underlying Shares	Quarterly Contingent Coupon Payment	Early Redemption Payment*	Hypothetical Closing Price of the Underlying Shares	Quarterly Contingent Coupon Payment	Early Redemption Payment*
#1	\$105.00	\$0.20	N/A	\$90.00	\$0.20	N/A
#2	\$110.00	—*	\$10.20	\$75.00	\$0	N/A
#3	N/A	N/A	N/A	\$70.00	\$0	N/A
#4	N/A	N/A	N/A	\$72.00	\$0	N/A
#5	N/A	N/A	N/A	\$69.00	\$0	N/A
#6	N/A	N/A	N/A	\$71.00	\$0	N/A
#7	N/A	N/A	N/A	\$68.00	\$0	N/A

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<b>#8</b>	N/A	N/A	N/A	\$74.00	\$0	N/A
<b>#9</b>	N/A	N/A	N/A	\$76.00	\$0	N/A
<b>#10</b>	N/A	N/A	N/A	\$79.00	\$0	N/A
<b>#11</b>	N/A	N/A	N/A			