

CITIGROUP INC
Form 424B2
October 26, 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 OCTOBER 26, 2018
October-----, 2018

Medium-Term Senior Notes, Series N

Citigroup Global Markets Holdings Inc. **Pricing Supplement No. 2018-USNCH1612**

Filed Pursuant to Rule 424(b)(2)

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

Callable Contingent Coupon Equity Linked Securities Linked to the Worst Performing of the S&P 500[®] Index and the Russell 2000[®] Index Due November 2, 2023

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 periodic 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 and (ii) your actual yield may be negative because the value of what you receive at maturity may be significantly less than the stated principal amount of your securities, and may be zero. Each of these risks will depend solely on the performance of the **worst performing** of the underlyings specified below.

We have the right to call the securities for mandatory redemption on any potential redemption date specified below.

You will be subject to risks associated with each of the underlyings and will be negatively affected by adverse movements in any one of the underlyings. Although you will have downside exposure to the worst performing underlying, you will not receive dividends with respect to any underlying or participate in any appreciation of any underlying.

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.

Underlyings:

Underlying **Initial underlying value*** **Coupon barrier value**** **Final barrier value****
S&P 500[®] Index
Russell 2000[®] Index
* For each underlying, its closing value on the pricing date

** For each underlying, 70% of its initial underlying value

Stated principal amount: \$1,000 per security
Pricing date: October 30, 2018
Issue date: November 2, 2018
January 30, 2019, April 30, 2019, July 30, 2019, October 30, 2019, January 30, 2020, April 30, 2020, July 30, 2020, October 30, 2020, February 1, 2021, April 30, 2021, July 30, 2021, November 1, 2021, January 31, 2022, May 2, 2022, August 1, 2022, October 31, 2022, January 30, 2023, May 1, 2023, July 31, 2023 and October 30, 2023 (the “final valuation date”), each subject to postponement if such date is not a scheduled trading day or certain market disruption events occur.
Valuation dates:
Maturity date: Unless earlier redeemed by us, November 2, 2023
The fifth business day after each valuation date, except
Contingent coupon payment dates: that the contingent coupon payment date following the final valuation date will be the maturity date
On each contingent coupon payment date, unless previously redeemed, the securities will pay a contingent coupon equal to 1.6375% of the stated principal amount of the securities (equivalent to a contingent coupon rate of 6.55% per annum) **if and only if** the closing value of the worst performing underlying on the immediately preceding valuation date is greater than or equal to its coupon barrier value. **If the closing value of the worst performing underlying on any valuation date is less than its coupon barrier value, you will not receive any contingent coupon payment on the immediately following contingent coupon payment date.**
Contingent coupon:
Payment at maturity: Unless earlier redeemed by us prior to maturity, you will receive at maturity for each security you then hold:

If the closing value of the worst performing underlying on the final valuation date is **greater than or equal to** its final barrier value:

\$1,000 *plus* the contingent coupon payment due at maturity

If the closing value of the worst performing underlying on the final valuation date is **less than** its final barrier value:

\$1,000 + (\$1,000 × the underlying return of the worst performing underlying on the final valuation date)

If the securities are not redeemed prior to maturity and the closing value of the worst performing underlying on the final valuation date is less than its final barrier value, you will receive significantly less than the stated principal amount of your securities, and possibly nothing, at maturity, and you will not receive any contingent coupon payment at maturity.

The securities will not be listed on any securities exchange

Citigroup Global Markets Inc. (“CGMI”), an affiliate of the issuer, acting as principal

Listing:

Underwriter:

Underwriting fee and issue price: **Issue price**⁽¹⁾ **Underwriting fee**⁽²⁾ **Proceeds to issuer**⁽³⁾

Per security: \$1,000 \$41.25 \$958.75

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 \$942.30 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 will receive an underwriting fee of up to \$41.25 for each security sold in this offering. The total underwriting fee and proceeds to issuer in the table above give effect to the actual total 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.

(3) The per security proceeds to issuer indicated above represent the minimum per security proceeds to issuer for any security, assuming the maximum per security underwriting fee. As noted above, the underwriting fee is variable.

Investing in the securities involves risks not associated with an investment in conventional debt securities. See “Summary Risk Factors” beginning on page PS-5.

Neither the Securities and Exchange Commission 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 hyperlinks below:

Product Supplement No. EA-04-07 dated June 15, 2018 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.

Citigroup Global Markets Holdings Inc.

KEY TERMS (continued)

Redemption:	We may call the securities, in whole and not in part, for mandatory redemption on any potential redemption date upon not less than five business days' notice. Following an exercise of our call right, you will receive for each security you then hold an amount in cash equal to \$1,000 <i>plus</i> the related contingent coupon payment, if any.
Potential redemption dates:	The contingent coupon payment dates related to the valuation dates, beginning in November 2019 and ending in July 2023
Underlying return:	For each underlying on any valuation date, (i) its closing value on that valuation date <i>minus</i> its initial underlying value, <i>divided by</i> (ii) its initial underlying value
Worst performing underlying:	For any valuation date, the underlying with the lowest underlying return determined as of that valuation date
CUSIP / ISIN:	17326YQR0 / US17326YQR08

Additional Information

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, the accompanying product supplement contains important information about how the closing value of each underlying will be determined and about adjustments that may be made to the terms of the securities upon the occurrence of market disruption events and other specified events with respect to each underlying. The accompanying underlying supplement contains information about each underlying that is 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 in deciding whether to invest in the securities. Certain terms used but not defined in this pricing supplement are defined in the accompanying product supplement.

Citigroup Global Markets Holdings Inc.

Hypothetical Examples

The examples in the first section below illustrate how to determine whether a contingent coupon will be paid following a valuation date. The examples in the second section below illustrate how to determine the payment at maturity on the securities, assuming the securities are not redeemed prior to maturity. The examples are solely for illustrative purposes, do not show all possible outcomes and are not a prediction of any payment that may be made on the securities.

The examples below are based on the following hypothetical values and do not reflect the actual initial underlying values, coupon barrier values or final barrier values of the underlyings. For the actual initial underlying value, coupon barrier value and final barrier value of each underlying, see the cover page of this pricing supplement. We have used these hypothetical values, rather than the actual values, to simplify the calculations and aid understanding of how the securities work. However, you should understand that the actual payments on the securities will be calculated based on the actual initial underlying value, coupon barrier value and final barrier value of each underlying, and not the hypothetical values indicated below.

Underlying	Hypothetical initial underlying value	Hypothetical coupon barrier value	Hypothetical final barrier value
S&P 500® Index	100	70 (70% of its hypothetical initial underlying value)	70 (70% of its hypothetical initial underlying value)
Russell 2000® Index	100	70 (70% of its hypothetical initial underlying value)	70 (70% of its hypothetical initial underlying value)

Hypothetical Examples of Contingent Coupon Payments Following a Valuation Date

The hypothetical examples below illustrate how to determine whether a contingent coupon will be paid following a hypothetical valuation date, assuming that the closing values of the underlyings on the hypothetical valuation date are as indicated below.

	Hypothetical closing value of S&P 500® Index on hypothetical valuation date	Hypothetical closing value of Russell 2000® Index on hypothetical valuation date	Hypothetical payment per \$1,000 security on related contingent coupon payment date
Example 1	105 (underlying return = 5%)	90 (underlying return = -10%)	\$16.375 (contingent coupon is paid)
Example 2	120	60	\$0

Example	45	(underlying return = 20%)	(underlying return = -40%)	
	3	(underlying return = -55%)	(underlying return = -40%)	\$0

Example 1: On the hypothetical valuation date, the Russell 2000® Index has the lowest underlying return and, therefore, is the worst performing underlying on the hypothetical valuation date. In this scenario, the closing value of the worst performing underlying on the hypothetical valuation date is greater than its coupon barrier value. As a result, investors in the securities would receive the contingent coupon payment of \$16.375 per security on the related contingent coupon payment date.

Example 2: On the hypothetical valuation date, the Russell 2000® Index has the lowest underlying return and, therefore, is the worst performing underlying on the hypothetical valuation date. In this scenario, the closing value of the worst performing underlying on the hypothetical valuation date is less than its coupon barrier value. As a result, investors would not receive any payment on the related contingent coupon payment date, even though each other underlying has appreciated from its initial underlying value.

Investors in the securities will not receive a contingent coupon on the contingent coupon payment date following a valuation date if the closing value of the worst performing underlying on that valuation date is less than its coupon barrier value. Whether a contingent coupon is paid following a valuation date depends solely on the closing value of the worst performing underlying.

Example 3: On the hypothetical valuation date, the S&P 500® Index has the lowest underlying return and, therefore, is the worst performing underlying on the hypothetical valuation date. In this scenario, the closing value of the worst performing underlying on the hypothetical valuation date is less than its coupon barrier value. As a result, investors would not receive any payment on the related contingent coupon payment date. In this example, the closing value of each underlying is less than its coupon barrier value.

Hypothetical Examples of the Payment at Maturity on the Securities

The next hypothetical examples below illustrate how, if the securities are not redeemed prior to maturity, your payment at maturity will depend on the closing value of the worst performing underlying on the final valuation date. Your actual payment at maturity per security will depend on the actual closing value of the worst performing underlying on the final valuation date.

Citigroup Global Markets Holdings Inc.

**Hypothetical closing value of S&P 500® Index on
final valuation date**

**Hypothetical closing value of Russell 2000® Index on
final valuation date**