FINANCIAL MARKET ANALYSIS

Volume 13, Issue 4 **January 28, 2013**

Risk assets continued to rally on supportive economic and political news

Last Week's Highlights

Risk assets continued to rally on the back of supportive economic and political news: 1) The US Congress's decided to suspend the debt ceiling for 3 months; 2) Impressive flash PMI data pointing to the strong gain in the global manufacturing PMI and; 3) A higher than expected early LTRO repayment in Europe.

Performance

MSCI World was up 0.95% last week with S&P 500 up 1.14% and Stoxx Europe 600 up 0.94%. Topix gained +0.62% rising for the eleventh consecutive week. Meanwhile, MSCI Asia ex Japan fell -1.33% with the strongest declines in Korea (-2.07%), Malaysia (-2.34%) and China (with HSCEI down -0.86% and Shanghai Composite down -1.11%). Investors chose to take profit from Chinese markets upon a recent high even though January HSBC PMI continued to improve from 51.5% in December to 51.9%. KOSPI fell to the lowest level in 8 weeks, with Tech and Auto underperforming amid continued concerns over a weak JPY.

The Week Ahead

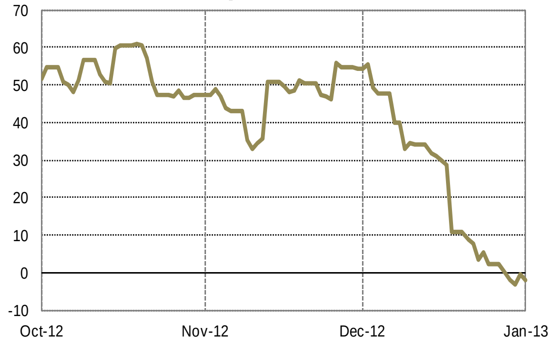
This coming week, US will see a busy economic data release calendar with Durable Goods Orders (Mon), Consumer Confidence (Tue), 4Q GDP and FOMC Rate Decision (Wed), Personal Income and Consumption and Initial Jobless claims (Thu), US University of Michigan Confidence, ISM manufacturing, Unemployment rate and nonfarm payrolls (Fri).

Key data in the euro area will be the preliminary 4Q GDP prints in Spain and Belgium (Wed), while in Japan, we expect industrial production, real consumption expenditures and the unemployment rate.

In Asia, Taiwan's export growth (Mon) and Korea's 4Q GDP growth (Thu), India's policy rate decision (Tue), 4Q GDP prints from Taiwan and the Philippines (both on Thu) and China's official manufacturing PMI (Fri), Indonesia's trade figures and inflation (Fri) are on the watch list.

	Jan 25 Close	Last week's return	YTD Return	YTD return (USD)
S&P 500:	1502.96	+1.14%	+5.38%	+5.38%
Stoxx Europe:	289.72	+0.94%	+3.59%	+5.59%
Topix:	917.09	+0.62%	+6.66%	+0.87%
MSCI Asia ex Japan:	554.47	-1.33%	+1.23%	+1.23%

Citi Economic Surprise Index - US



Source: Bloomberg

Economic Outlook

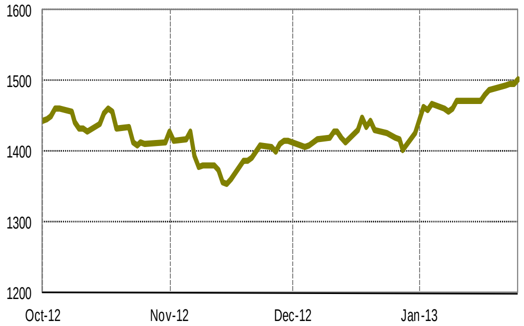
Policy tailwinds forming

Federal Reserve (Fed) officials are expected to reaffirm the current pace of asset purchases and forward guidance as well as long-run goals and policy strategy. The immediate tack has been reinforced by caution over fiscal drag as consumer sentiment has eroded and payroll taxes have risen.

Nonetheless, financial markets continue to respond favourably, extending the period of truly accommodative conditions into a sixth month, the most supportive stretch since the 1990s. Steadying home prices may enhance the stimulative effect of low mortgage rates and policy rules benchmarked off alternative gauges of economic slack imply that the Fed's thrust may be overly accommodative.

Indications that cost/benefit considerations may weigh more prominently in QE decisions suggest that asset purchases could begin to phase down later this year and stop in early 2014. A combination of stronger job growth and faster labour force expansion might hasten the end of QE without altering the timetable for exit strategies, posing challenges for both policymakers and markets.

S&P 500 (1/10/2012 to 25/1/2013)



Source: Bloomberg

	Last week's close	Last week's return	YTD return
S&P 500	1502.96	+1.14%	+5.38%
DJIA	13895.98	+1.80%	+6.04%
Nasdaq	3149.71	+0.48%	+4.31%

- **End-2013 S&P500 Index Target: 1615**

Equities

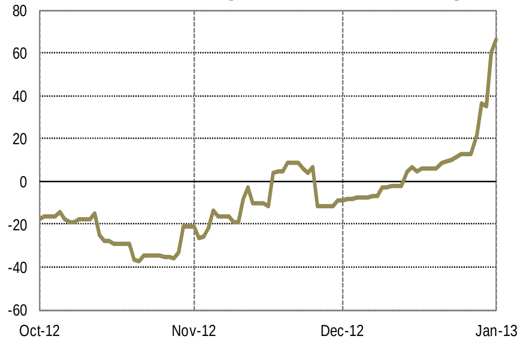
4Q12 earnings results have not disappointed thus far

While various measures of investor sentiment are showing complacency, there have been several supportive stock market indicators, including cash on the sidelines, attractive valuation and subdued EPS growth expectations.

Moreover, credit conditions and employment surveys have continued to argue that the US should experience respectable economic strength, which has bolstered the case for the non-consensus view of 1H13 equity index opportunity versus the more generic second half optimism.

Indeed, the initial read of 4Q12 results (with about 30% of S&P 500 constituents in the books) underscore companies are outperforming profit forecasts by better than 5% on slightly higher sales, with EPS also more than 2% ahead of projections when Financials are excluded. Admittedly, the estimates were trimmed back over the last few months given Hurricane Sandy and fiscal cliff uncertainty, but the numbers just have not been disappointing thus far.

Citi Economic Surprise Index - Europe



Source: Bloomberg

Economic Outlook

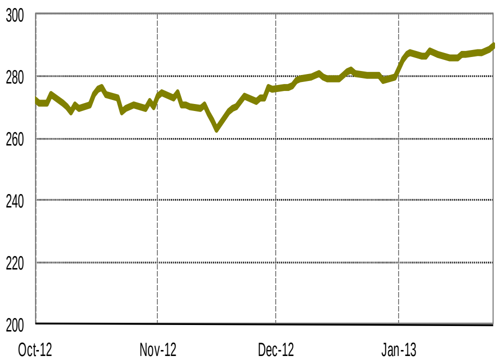
Global export bounce – Greece, Ireland & Spain set to outperform

Global demand is recovering. Although intra-euro area trade dynamics remains poor, euro area exports are growing, suggesting that euro area economies are beginning to rebalance away from domestic demand. One of the main threats to this more constructive scenario is a substantial appreciation of the euro.

Citi's analysis of the geographical breakdown of goods exports, the state of manufacturing export order books, and the historical (and more recent) performance of exports indicates that some member states are in a better position to outperform their peers in export activity, increasing the likelihood of a successful adjustment.

Greece, Ireland and Spain make it onto the podium, suggesting that re-balancing and painful structural changes are yielding some results, making these economies more competitive. Conversely, within the periphery group, Citi analysts see Italy as the most likely to underperform on exports.

STOXX (1/10/2012 to 25/1/2013)



Source: Bloomberg

	Last week's close	Last week's return	YTD return
STOXX	289.72	+0.94%	+3.59%
FTSE 100	6284.45	+2.11%	+6.56%
DAX	7857.97	+2.02%	+3.23%

- **End-2013 Stoxx Index Target: 290**

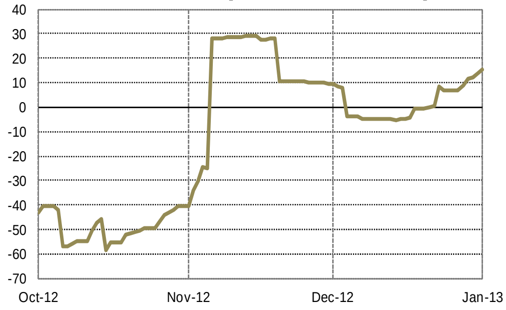
Equities

Favour growth strategies

European equities look fair value on trailing P/E and price/book multiples, in-line with long-term averages. Balance sheet adjusted multiples (EV/EBITDA) suggest that shares are cheaper than fair value, as does the cyclically adjusted P/E for Europe (CAPE). While, in the absence of an earnings collapse, absolute valuations look supportive of further 2013 gains for European equities, it is relative valuations which continue to show equities as looking particularly cheap. In the UK, dividends have not looked this cheap vs UK gilts in the last 100 years. European equities are trading at record cheaps relative to investment grade credit.

Citi analysts continue to back growth strategies in a low growth world and tilt their European sector strategy to growth over value factors. They also tilt towards strong balance sheets to capture those best positioned in a de-leveraging world and towards the ability to pay/grow dividends.

Citi Economic Surprise Index - Japan



Source: Bloomberg

Economic Outlook

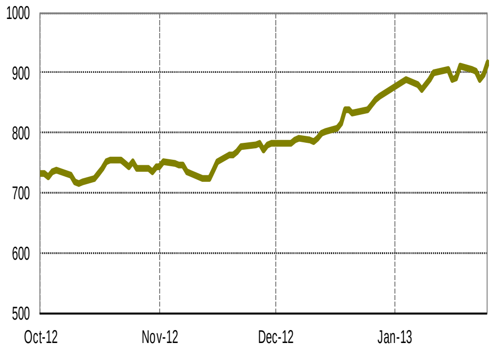
BoJ introduced the explicit inflation target of 2%

As widely expected, the Bank of Japan (BoJ) introduced the explicit inflation target of 2% last week while replacing the former medium to long-term price stability goal of 1%.

Interestingly however, two board members, Mr. Sato and Mr. Kiuchi, opposed introducing a 2% inflation target. This was probably because they believe that it is impossible to achieve this target with the policy options at hand. Mr. Sato seems to think that the government should provide more policy tools, such as foreign bond purchases. Also Mr. Miyao's proposal that the BoJ maintain the effectively zero interest rate policy until a 2% inflation is foreseen was rejected by the other eight board members. Other board members think that the BoJ should end the zero interest rate policy before actual inflation reaches 2%. These examples seem to reveal the board members' reservations about a 2% inflation target. In light of this, the inconsistency between the target and potential policy tools may not be resolved even under the new leadership.

The BoJ decided to introduce an open-ended asset purchase program starting in 2014 but the total size of the asset purchase program will increase just about ¥10 trillion in 2014. Citi analysts think the next BoJ leadership is most likely to implement much more aggressive asset purchases to achieve 2% inflation.

Topix (1/10/2012 to 25/1/2013)



Source: Bloomberg

	Last week's close	Last week's return	YTD return
Nikkei	10926.65	+0.12%	+5.11%
Topix	917.09	+0.62%	+6.66%

- **End-2013 Topix Index Target: 940**

Equities

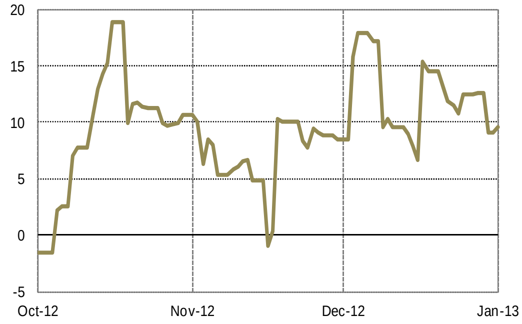
A 2% inflation target and implications for the market

Citi analysts believe, with a 2% inflation target, a structural change in the Japanese equity market would be likely, with the average sales growth rate rising, margins expanding, and PERs rising.

The average sales growth rate for large corporations has fallen since the early 1990s, when the CPI growth rate fell. If an inflation rate of 2% can be achieved, Citi forecasts that the average sales growth rate will rise. And history shows margins tend to be higher when inflation rates are high. In high inflation environments, companies tend to find it easy to raise prices and to maintain margins at higher levels. Therefore, profit margins are likely to rise at a faster pace than sales.

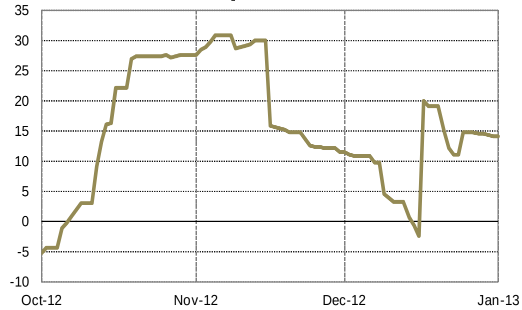
Citi analysts also expect PER expansion alongside a rising forecast profit growth rate. And both earnings and valuations may work in the favour of Japanese equities. The yen is also expected to weaken further as the BoJ need to buy a large volume of assets to reach the 2% inflation target.

Citi Economic Surprise Index – Asia Pac Ex Jap



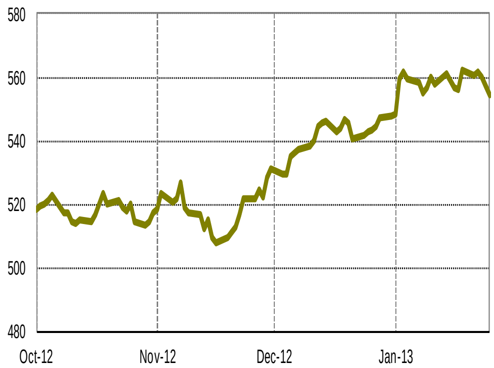
Source: Bloomberg

Citi Economic Surprise Index – China



Source: Bloomberg

MSCI AC Asia ex Japan (1/10/2012 to 25/1/2013)



Source: Bloomberg

	Last week's close	Last week's return	YTD return
MSCI AC Asia ex Japan	554.47	-1.33%	+1.23%

- **End-2013 MSCI AC Asia ex Japan Index Target: 625**

Economic Outlook

Currency debasement is especially sensitive in Asia

While central banks in advanced economies are making concerted efforts to boost their economies through increasingly loose monetary policies, some current account deficit countries' sizeable financing needs or high inflationary pressures would welcome the benefits of liquidity injection and capital inflows from advanced economies.

But in some external-demand driven economies in Asia, the initial benefits in boosting demand and risk assets could eventually be outweighed by the costs in terms of managing capital flows, financial stability and the potential loss of external competitiveness if there is excessive pressure on real effective exchange rate appreciation.

The more cyclical yet industrialized economies such as Korea, Singapore and Taiwan may be more sensitive to yen movements and the risks to external competitiveness. As Citi analysts expect to the yen to weaken further to ¥90-¥95 against the dollar, exports from Korea, Singapore and Taiwan, are likely to feel the most competitive heat from a significant weakness in the yen versus their currencies. But in Singapore's case, financial stability/property risks are serious enough concerns to make the MAS unlikely to loosen monetary policy via weakening the SGD band. Korea and Taiwan could take some comfort if they see better US-led global growth prospects in 2H13 alongside gradual CNY appreciation, which might lead them to take some breath and let their currencies adjust as well.

Equities

Risk to earnings, but not excessive expectations

Investors highly regard earnings growth and tend to place excessive importance on a certain level of earnings. They believe that in order to have a bull market the market needs earnings growth to do well. But history tells a different story. Out of the seven major bull markets in Asia ex since 1975, four had less than 8% annualized earnings growth during the duration of the bull run. In Asia ex a bull run occurs on the back of multiples expansion – a belief in a better tomorrow, not an acceleration in actual earnings growth rates.

Actually the trend rate of earnings growth in Asia ex since 1990 has been only 5.1% in US$ terms and the markets are pricing off an 8% EPS growth rate rather than the 13% expected by the consensus.

In terms of earnings growth by market, the highest earnings growth rate forecasts are out of Taiwan, Korea and Thailand which have a sizable cyclical component. The least aggressive 2013 earnings forecasts are for Singapore, Malaysia, China and Hong Kong, between 2.5% and 10.3% for 2013. On a sector basis, financials offer the lowest growth rate in the region, at just 3%, followed by telecoms at 7.0% and then energy at 7.6%. This stands in stark contrast with consumer durables at 38%, transport at 36% and the broad technology space at over 30%.

Developed Markets

28 Jan (Monday)

- **US** — Durable goods orders likely grew 2.0% in December.
- **Europe** — While short-term indicators have declined, most notably consumer confidence, Citi analysts expect Sweden retail trade to remain in a gradual upward trend in December with support from declining gasoline prices and lower mortgage rates (0.1% MoM).

29 Jan (Tuesday).

- **US —** Consumer confidence likely fell again in January to 64.0 following a precipitous drop in December.
- **Europe** — The pass through of lower commodity prices in recent months is likely to contribute to a continuation of the downward trend in the YoY rate of German import prices in December (+0.1% MoM, 0.9% YoY).

30 Jan (Wednesday)

- **US** — Citi analysts estimate that 4Q12 GDP growth was extremely tepid (0.7%).
- **Europe** — Much improved market sentiment, mirrored in the large gains in the Italian equity market, probably will have lifted business confidence in January to 90.6.
- **Japan —** Retail sales probably increased 0.5% YoY and 0.1% MoM in December.

31 Jan (Thursday)

- **US** — The seasonal factor drama likely continued for a third consecutive week, but with initial claims now rising well above the 360,000-range exhibited at the end of last year.
- **US** — Citi analysts anticipate that the 4Q12 report on employment costs will not deviate much from 3Q12, staying at 0.5%.
- **US** — Personal income likely jumped in December due to one-time dividend distributions in the lead up to the fiscal cliff (1.4%).
- **US** — The Chicago business barometer likely edged up slightly in January, but remained only modestly positive (52.0).
- **Europe —** Although prices likely fell a little in December, unfavourable base effects should drive France headline annual rate a touch higher to 2.0%.
- **Japan —** Citi expects a 3.7% MoM advance for industrial production in December.

1 Feb (Friday)

- **US** — In January, Citi analysts look for a higher-than-trend employment gain of 190K, largely due to the extraordinarily warm, dry weather between survey periods.
- **US** — Citi analysts look for little change in the second pass at January consumer sentiment (71.5).
- **US** — Residential construction investment probably continued to power higher in December, reflecting the steady uptrend in housing starts (0.6%).
- **US** — Citi analysts anticipate a continuation of the stagnant readings of the ISM manufacturing index in January (51.0).
- **US** — Motor-vehicle sales likely remained strong in January at 15.2M.
- **Europe —** Following four months of consecutive increases in the unemployment rate, Citi analysts expect an unchanged Euro Area unemployment reading in December at 11.8%.
- **Japan —** In December, unemployment rate may stay flat at 4.1% with a slightly better reading (0.81) for the effective job-offers-to-seekers ratio.
- **Japan —** Nominal spending of all households probably increased 0.4% YoY and 0.1% MoM in December while real spending likely rose 0.6% YoY and 0.4% MoM.

Asia ex-Japan

28 Jan (Monday)

- **Thailand** — Robust manufacturing output growth likely continued in December (40.7% YoY) on flood-induced replacement expenditures and improving external demand.

29 Jan (Tuesday)

- **India** — Citi analysts expect RBI to cut policy rates by 25 bps in the midst of growth slowing to a 10-year low.

30 Jan (Wednesday)

- **Korea** — Sharp contraction of exports and fewer working days likely to lead to industrial production growth in December remaining weak at 1.1% YoY versus a previous reading of 2.9% in November.

31 Jan (Thursday)

- **Hong Kong** — Retail sales growth in December may be weak (val: 4%YoY; vol: 2.7%YoY) after surprising strength in November and aggressive year-end sales/promotions.
- **Malaysia** — MPC is likely to stand pat in January and keep rates on hold at 3%.
- **Philippines** — Citi sees a slower GDP growth in 4Q12 at 5.7% YoY, implying 2012F full year growth at 6.3%.
- **Singapore** — 4Q12 jobless rate may stay unchanged at 1.9% s.a. as the economy saw sequential expansion.
- **Taiwan** — A higher GDP growth in 4Q12 (at 3.0%YoY) is likely on upbeat data including strong exports, positive export orders growth, and IP while implying full year growth at 1.1%YoY.
- **Thailand** — January core inflation may ease a bit faster than headline (3.6% YoY), partly due to base effects.

1 Feb (Friday)

- **China** — The official manufacturing PMI may register a modest gain in January by 0.3ppt to 50.9.
- **Korea** — January headline inflation is likely to have fallen to 1.3% YoY on lower gasoline and meat prices.
- **Korea** — Declines on December exports indicate a slower IP growth in December (1.1% YoY)**.**
- **Indonesia** — Headline inflation may come higher at 4.6% YoY in December amid supply disruptions during the Jakarta floods.
- **Indonesia** — December exports may have remained flat (at 0% YoY) but a modest rebound in non-oil commodities exports appears likely.
- **Indonesia** — 4Q12 GDP growth likely slowed further to 6% YoY, driven by declining machinery investments.

WORLD MARKETS AT A GLANCE

	Previous Week's Close	52-Week High	52-Week Low	Weekly Return	YTD Return	YTD Return (USD)
UNITED STATES						
Dow Jones Industrial Average	13895.98	13895.98	12035.09	+1.80%	+6.04%	+6.04%
S&P 500	1502.96	1503.26	1266.74	+1.14%	+5.38%	+5.38%
Nasdaq	3149.71	3196.93	2726.68	+0.48%	+4.31%	+4.31%
EUROPE						
DJ Euro STOXX	289.72	289.82	233.48	+0.94%	+3.59%	+5.59%
FTSE 100	6284.45	6284.45	5229.76	+2.11%	+6.56%	+3.66%
DAX	7857.97	7865.16	5914.43	+2.02%	+3.23%	+5.02%
JAPAN						
Nikkei 225	10926.65	11002.86	8238.96	+0.12%	+5.11%	-0.59%
TOPIX	917.09	924.28	692.18	+0.62%	+6.66%	+0.87%
ASIA						
MSCI Asia ex Japan	554.47	562.40	449.40	-1.33%	+1.23%	+1.23%
Hong Kong Hang Seng	23580.43	23713.40	18056.40	-0.09%	+4.08%	+4.04%
Shanghai Composite Index	2291.30	2478.38	1949.46	-1.11%	+0.98%	+1.15%
Taiwan Weighted Index	7672.58	8170.72	6857.35	-0.78%	-0.35%	-1.22%
Korea KOSPI	1946.69	2057.28	1758.99	-2.07%	-2.52%	-3.72%
Mumbai Sensex	20103.53	20163.38	15748.98	+0.32%	+3.48%	+5.39%
Singapore Straits Times Index	3269.31	3281.46	2698.90	+1.81%	+3.23%	+1.97%
Kuala Lumpur Composite	1637.13	1699.68	1509.49	-2.34%	-3.07%	-3.26%
Thai Stock Exchange	1461.41	1463.20	1070.25	+1.88%	+4.99%	+7.16%
Jakarta Composite Index	4437.60	4472.11	3635.28	-0.62%	+2.80%	+2.62%
Philippines Stock Exchange Index	6167.64	6193.25	4612.12	+0.46%	+6.11%	+6.82%
Australia All Ordinaries	4858.88	4858.90	4033.40	+1.34%	+4.17%	+4.38%
EMEA						
Russia MICEX Index	1544.02	1639.62	1241.62	+0.23%	+4.70%	+5.81%
South Africa JSE All Shares Index	40538.96	40604.59	32730.92	+0.93%	+3.28%	-2.32%
Turkey ISE National 100 Index	84755.10	86787.15	53997.64	-0.29%	+8.37%	+9.35%
LATIN AMERICA						
Mexico Bolsa Index	45575.86	45624.60	36737.27	+0.80%	+4.28%	+5.78%
Brazil Bovespa Index	61169.83	68969.99	52212.92	-1.27%	+0.36%	+1.03%
COMMODITIES						
Gold	1658.70	1796.05	1526.97	-1.52%	-0.99%	-0.99%
Oil	95.88	110.55	77.28	+0.33%	+4.42%	+4.42%
FIXED INCOME						
Citigroup World Government Bond Index	634.15	637.55	609.56	-0.18%	-0.35%	-0.35%

Source: Bloomberg (As at January 25, 2013)

CURRENCY FORECASTS

Currency		28-Jan-13	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14	Jan-15
G10-US Dollar											
Euro	EURUSD	1.35	1.35	1.34	1.32	1.32	1.31	1.31	1.3	1.3	1.31
Japanese yen	USDJPY	91	94	95	96	95	94	93	91	90	89
British Pound	GBPUSD	1.58	1.60	1.61	1.61	1.61	1.62	1.62	1.62	1.62	1.63
Swiss Franc	USDCHF	0.93	0.92	0.91	0.91	0.92	0.94	0.96	0.98	1.00	1.00
Australian Dollar	AUDUSD	1.04	1.06	1.04	1.02	1.01	1.00	0.99	0.97	0.96	0.96
New Zealand	NZDUSD	0.84	0.85	0.84	0.83	0.81	0.79	0.77	0.75	0.72	0.72
Canadian Dollar	USDCAD	1.01	0.98	0.97	0.97	0.97	0.97	0.97	0.97	0.97	0.97
Dollar Index	DXY	79.82	79.41	80.00	80.61	80.76	80.81	80.85	80.89	80.92	80.55
G10 Crosses											
Japanese yen	EURJPY	123	127	127	127	125	123	121	119	117	117
Swiss Franc	EURCHF	1.25	1.24	1.22	1.20	1.22	1.24	1.26	1.28	1.30	1.30
British Pound	EURGBP	0.85	0.84	0.83	0.82	0.82	0.81	0.81	0.80	0.80	0.80
Swedish Krona	EURSEK	8.70	8.67	8.59	8.51	8.48	8.46	8.44	8.42	8.40	8.40
Norwegian Krone	EURNOK	7.44	7.47	7.42	7.36	7.33	7.31	7.29	7.27	7.25	7.25
Norwegian Krone	NOKSEK	1.17	1.16	1.16	1.16	1.16	1.16	1.16	1.16	1.16	1.16
Australian Dollar	AUDNZD	1.25	1.25	1.24	1.23	1.25	1.27	1.29	1.31	1.33	1.34
Australian Dollar	AUDJPY	94.9	99.2	98.6	98.0	96.1	93.8	91.5	89.2	86.9	85.6
EM Asia											
Chinese Renminbi	USDCNY	6.23	6.17	6.14	6.11	6.09	6.08	6.07	6.06	6.05	6.05
Hong Kong	USDHKD	7.76	7.75	7.76	7.76	7.76	7.76	7.75	7.75	7.75	7.75
Indonesian Rupiah	USDIDR	9670	9925	9868	9811	9777	9750	9722	9694	9666	9649
Indian Rupee	USDINR	53.7	53.2	53.5	53.9	54.1	54.2	54.3	54.4	54.5	54.2
Korean Won	USDKRW	1080	1047	1039	1031	1024	1017	1010	1003	996	995
Malaysian Ringgit	USDMYR	3.05	3.00	3.02	3.04	3.04	3.04	3.05	3.05	3.05	3.04
Philippine Peso	USDPHP	40.7	40.1	40.0	39.9	40.0	40.2	40.4	40.6	40.8	40.7
Singapore Dollar	USDSGD	1.23	1.22	1.21	1.20	1.20	1.20	1.19	1.19	1.19	1.19
Thai Baht	USDTHB	29.9	29.8	30.1	30.4	30.4	30.3	30.2	30.0	29.9	29.8
Taiwan Dollar	USDTWD	29.4	28.7	28.6	28.5	28.5	28.4	28.3	28.3	28.2	28.2
EM Europe											
Czech Koruna	EURCZK	25.57	25.95	26.06	26.18	26.01	25.77	25.53	25.29	25.05	24.81
Hungarian Forint	EURHUF	298	308	305	301	298	296	294	292	290	289
Polish Zloty	EURPLN	4.17	4.22	4.25	4.29	4.24	4.16	4.08	4.00	3.92	3.90
Israeli Shekel	USDILS	3.72	3.65	3.76	3.88	3.95	4.01	4.07	4.13	4.19	4.15
Russian Ruble	USDRUB	30.0	29.6	30.5	31.3	31.7	32.0	32.3	32.7	33.0	32.8
Russian Ruble	Basket	34.7	34.3	35.1	35.9	36.2	36.5	36.8	37.1	37.4	37.5
Turkish Lira	USDTRY	1.77	1.77	1.80	1.84	1.86	1.87	1.88	1.89	1.90	1.90
South African Rand	USDZAR	8.97	8.89	8.99	9.08	9.16	9.24	9.32	9.40	9.48	9.53
EM Latam											
Brazilian Real	USDBRL	2.03	2.04	2.07	2.09	2.09	2.08	2.07	2.06	2.05	2.03
Chilean Peso	USDCLP	472	473	481	489	490	490	490	490	490	490
Mexican Peso	USDMXN	12.7	12.4	12.4	12.5	12.5	12.5	12.5	12.5	12.5	12.5
Colombian Peso	USDCOP	1780	1750	1750	1750	1758	1768	1778	1788	1798	1810

Source: CR, Bloomberg (As January 28, 2013; Forecasts as of January 18, 2013)

GENERAL DISCLOSURE

This document is based on information provided by Citigroup Investment Research, Citigroup Global Markets, Citigroup Global Wealth Management and Citigroup Alternative Investments. It is provided for your information only. It is not intended as an offer or solicitation for the purchase or sale of any security. Information in this document has been prepared without taking account of the objectives, financial situation or needs of any particular investor. Accordingly, investors should, before acting on the information, consider its appropriateness, having regard to their objectives, financial situation and needs. Any decision to purchase securities mentioned herein should be made based on a review of your particular circumstances with your financial adviser.

Investments referred to in this document are not recommendations of Citibank or its affiliates. Although information has been obtained from and is based upon sources that Citibank believes to be reliable, we do not guarantee its accuracy and it may be incomplete and condensed. All opinions, projections and estimates constitute the judgment of the author as of the date of publication and are subject to change without notice. Prices and availability of financial instruments also are subject to change without notice. Past performance is no guarantee of future results. Investments products are (i) not insured by any government agency; (ii) not a deposit or other obligation of, or guaranteed by, the depository institution; and (iii) subject to investment risks, including possible loss of the principal amount invested.

The document is not to be construed as a solicitation or recommendation of investment advice. Subject to the nature and contents of the document, the investments described herein are subject to fluctuations in price and/or value and investors may get back less than originally invested. Certain high-volatility investments can be subject to sudden and large falls in value that could equal the amount invested. Certain investments contained in the document may have tax implications for private customers whereby levels and basis of taxation may be subject to change. Citibank does not provide tax advice and investors should seek advice from a tax adviser.