

Liquidity Coverage Ratio Disclosure

For the quarter ended June 2019



Liquidity Coverage Ratio ("LCR") and the Disclosure Template

The Monetary Authority of Singapore ("MAS") had designated Citibank Singapore ("Citi") as a Domestic Systemically Important Bank ("D-SIB") in Singapore, and is thus subjected to the MAS Notice 649 Liquidity Coverage Ratio ("LCR") framework with effect from 01 January 2016. The MAS has also granted Citi the approval to comply with this Notice on a country-level group basis (consisting of Citibank N.A. Singapore branch, Citibank Singapore Limited, and Citicorp Investment Bank (Singapore) Limited).

The LCR framework is designed such that adequate levels of unencumbered High Quality Liquid Assets ("HQLA") are maintained to meet its liquidity needs under an acute 30 calendar day stress scenario. The LCR is calculated by dividing HQLA by estimated net outflows assuming a stressed 30-day period, with the net outflows determined by applying prescribed factors to various categories of liabilities, such as deposits, unsecured and secured wholesale borrowings, unused lending commitments and other derivatives-related exposures. The outflows are partially offset by assumed inflows from assets maturing within 30 days. Similar to outflows, the inflows are calculated based on prescribed factors applied to various assets categories, such as loans, unsecured and secured wholesale lending. As a measurement, Citi is required to maintain daily LCR on ALL-Currency ("All-Ccy") and SGD-Currency ("SGD-Ccy") level to be above 50% and 100% respectively. For cautionary measure, Citi has, based on observed movements, set internal LCR triggers as forewarning of breaching the regulatory ratios in addition to the LCR being actively managed, as well as closely monitored, to ensure that it is within the ratio requirement.

The following disclosure is made pursuant to the MAS Notice 651 – LCR Disclosure, and in compliance with the requirements set out in the MAS Notice 649 at country-level group basis.

The disclosure templates in the following two pages set forth Citi's average HQLA, cash outflows, cash inflows, and the resulting LCR for the period indicated. The "Total Unweighted Value" column represents quarterly average balances for each category of the LCR calculation that has not been adjusted by the respective LCR factors. The "Total Weighted Value" column represents the unweighted average amounts multiplied by the respective LCR factor for each category of the LCR calculation, as prescribed by the regulatory requirements.

Country Average All-Currency LCR for Quarter 2, 2019
 (Number of data points used for the calculation : 91)

Group – ALL Currency (in S\$ millions)		TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		20,808
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	37,839	3,109
3	Stable deposits	8,916	228
4	Less stable deposits	28,922	2,881
5	Unsecured wholesale funding, of which:	34,361	18,455
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	14,079	3,503
7	Non-operational deposits (all counterparties)	20,282	14,952
8	Unsecured debt	0	0
9	Secured wholesale funding		0
10	Additional requirements, of which:	4,029	1,591
11	Outflows related to derivative exposures and other collateral requirements	1,166	1,166
12	Outflows related to loss of funding on debt products	0	0
13	Credit and liquidity facilities	2,863	425
14	Other contractual funding obligations	417	417
15	Other contingent funding obligations	1,834	55
16	TOTAL CASH OUTFLOWS		23,628
CASH INFLOWS			
17	Secured lending (eg reverse repos)	185	0
18	Inflows from fully performing exposures	16,338	11,946
19	Other cash inflows	1,098	1,108
20	TOTAL CASH INFLOWS	17,621	13,054
			TOTAL ADJUSTED VALUE
21	TOTAL HQLA		20,808
22	TOTAL NET CASH OUTFLOWS		10,574
23	LIQUIDITY COVERAGE RATIO (%)		200%

Country Average SGD-Currency LCR for Quarter 2, 2019
 (Number of data points used for the calculation : 91)

Group – SGD Currency (in S\$ millions)		TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		15,567
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	15,681	1,181
3	Stable deposits	6,038	228
4	Less stable deposits	9,643	954
5	Unsecured wholesale funding, of which:	9,352	5,192
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	3,663	899
7	Non-operational deposits (all counterparties)	5,689	4,293
8	Unsecured debt	0	0
9	Secured wholesale funding		0
10	Additional requirements, of which:	12,018	11,351
11	Outflows related to derivative exposures and other collateral requirements	11,288	11,288
12	Outflows related to loss of funding on debt products	0	0
13	Credit and liquidity facilities	730	64
14	Other contractual funding obligations	8	8
15	Other contingent funding obligations	341	10
16	TOTAL CASH OUTFLOWS		17,744
CASH INFLOWS			
17	Secured lending (eg reverse repos)	185	0
18	Inflows from fully performing exposures	2,153	1,476
19	Other cash inflows	8,567	8,554
20	TOTAL CASH INFLOWS	10,904	10,029
			TOTAL ADJUSTED VALUE
21	TOTAL HQLA		15,567
22	TOTAL NET CASH OUTFLOWS		7,714
23	LIQUIDITY COVERAGE RATIO (%)		208%

Main Drivers and Changes in LCR

Citi average All-Ccy LCR and SGD-Ccy LCR for 2019 second quarter were 200% and 208% respectively as compared to 180% and 183% in the previous quarter. Increase in All-Ccy LCR is largely due to rise in retail deposits and short-term Third Party loans, coupled with increase in short-term intercompany placements. SGD-Ccy LCR rose in the second quarter was mainly driven by decrease in 30-days SGD Derivatives outflow exposures though quarter-on-quarter movement in total outstanding exposures amount is minimal.

Citi continues to maintain a higher ratio than the regulatory requirement by focusing on maintaining a stable balance sheet structure.

Composition of HQLA

As of June 2019, Citi's average weighted All-Ccy HQLA was approximately \$20.8 billion, of which almost three-quarter (around \$15.5 billion) of the average weighted HQLA was in SGD-Ccy. These assets primarily consisted of Level 1 assets which would comprise cash, balances with Central Banks and highly rated Sovereign debts.

Liquidity Risk Management Function

Citi manages liquidity risk through a global standardized risk governance framework that includes Citigroup global liquidity risk management policy. The policy establishes standards for defining, measuring, limiting and reporting liquidity risk to ensure the transparency and comparability of liquidity risk-taking activities. The policy also requires establishment of an appropriate risk appetite. The Citigroup Treasurer and the Treasury Chief Risk Officer ("CRO") oversee the policy. Citigroup's independent Risk function is responsible for governance of liquidity risk management and provides analytical challenge to the firm's liquidity risk management framework. Citi Singapore ALCO convene on a monthly basis and serves as the primary governance committee on the management of Citi's balance sheet and liquidity.