Consolidated Citigroup

Net Stable Funding Ratio Disclosure

For the quarterly periods ended June 30, 2023 and March 31, 2023

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Citigroup Inc.

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For the quarterly periods ended 6/30/2023 and 3/31/2023

Overview:

In October 2020, U.S. banking agencies adopted the final Net Stable Funding Ratio (“NSFR”) rule to assess the availability of a bank’s stable funding against a required level. The final rule became effective July 1, 2021, while public disclosure of the ratio is required to occur on a semiannual basis beginning June 30, 2023. The semiannual disclosures will include quarterly average NSFR data for the two preceding quarters.

The NSFR is calculated by dividing the firm’s Available Stable Funding (“ASF”) by its Required Stable Funding (“RSF”). In general, a bank’s ASF includes components of the firm’s capital, deposits, and long-term debt, while its RSF will be based on the funding characteristics of its on- and off- balance sheet assets, including loans, securities, derivatives, unfunded commitments, and other fixed assets. Standardized ASF and RSF factors are applied to the capital, liability and asset balances in order to calculate the weighted amounts of ASF and RSF. The regulation requires covered firms to maintain a minimum NSFR of 100%.

The NSFR disclosure templates below set forth Citi’s average ASF, RSF and the resulting NSFR for the two quarterly periods indicated, as required by the public disclosure requirements in the NSFR rule. The “Unweighted Amount” columns represent quarterly average balances for each category of the NSFR calculation prior to applying the respective NSFR weight factors. The “Weighted Amount” column represents the unweighted average amounts multiplied by the respective weight factor for each category of the NSFR calculation, as prescribed by the NSFR rule.

NSFR for the Quarter Ended June 30, 2023:

Consolidated Citigroup Average NSFR for the quarter ended June 30, 2023 In millions of U.S. Dollars		6/30/2023					
		Average Unweighted Amount					Average Weighted Amount
		Open Maturity	< 6 months	6 months to < 1 year	>= 1 year	Perpetual	
ASF ITEM							
1	Capital and securities:	-	40,873	20,594	475,930	202	486,429
2	NSFR regulatory capital elements	-	-	-	241,096	-	241,096
3	Other capital elements and securities	-	40,873	20,594	234,834	202	245,333
4	Retail funding:	316,874	70,682	43,618	3,291	-	371,429
5	Stable deposits	90,201	3,141	6,714	469	-	95,498
6	Less stable deposits	169,826	66,686	35,829	2,242	-	247,126
7	Sweep deposits, brokered reciprocal deposits, and brokered deposits	55,118	668	1,075	580	-	28,805
8	Other retail funding	1,729	187	-	-	-	-
9	Wholesale funding:	1,106,122	226,028	29,780	150	28	412,295
10	Operational deposits	444,141	32	-	-	-	222,087
11	Other wholesale funding	661,981	225,996	29,780	150	28	190,208
	Other liabilities:	724,290	53,053	1,768	3,448	-	4,332
12	NSFR derivatives liability amount					-	
13	Total derivatives liability amount					540,711	
14	All other liabilities not included in categories 1 through 13 of this table	183,579	53,053	1,768	3,448	-	4,332
15	**Total ASF[1]**						1,209,503
RSF ITEM							
16	Total high-quality liquid assets (HQLA)	276,743	99,000	47,579	519,773	12,920	30,975
17	Level 1 liquid assets	275,259	97,042	47,053	392,662	92	-
18	Level 2A liquid assets	1	1,116	199	115,741	20	17,560
19	Level 2B liquid assets	1,483	842	327	11,370	12,808	13,415
20	Zero percent RSF assets that are not level 1 liquid assets or loans to financial sector entities or their consolidated subsidiaries	161,288	25,599	144	1	-	-
21	Operational deposits placed at financial sector entities or their consolidated subsidiaries	4,828	-	-	-	-	2,414
22	Loans and securities[2]:	232,941	293,331	48,352	322,042	336,276	667,376
23	Loans to financial sector entities secured by level 1 liquid assets	113,024	144,649	11,372	15,835	-	26,966
24	Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities	67,221	77,293	9,007	18,013	55,293	100,899
25	Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	49,814	68,817	26,255	88,245	228,625	340,961
26	Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR 217)	4,002	7,299	1,303	7,992	4,169	15,816
27	Retail mortgages	-	-	3,425	130,460	2,163	93,630
28	Of which: With a risk weight of no greater than 50 percent under Regulation Q (12 CFR 217)	-	-	2,599	106,777	718	71,837
29	Securities that do not qualify as HQLA	2,973	774	-	69,489	50,195	104,920
	Other assets:	609,973	5,071	3,924	13,778	144,765	243,913
30	Commodities					-	-
31	Assets provided as initial margin for derivative transactions and contributions to CCP's mutualized loss-sharing arrangements	35,416	-	-	-	-	30,128
32	NSFR derivatives assets amount					12,387	12,387
33	Total derivatives assets amount					553,102	
34	RSF for potential derivatives portfolio valuation changes					-	29,288
35	All other assets not included in the categories 16-33 of this table, including nonperforming assets	9,068	5,071	3,924	13,778	144,765	172,110
36	Undrawn commitments					427,386	21,369
37	**TOTAL RSF prior to application of required stable funding adjustment percentage**						966,047
38	**Required stable funding adjustment percentage**						100%
39	**TOTAL adjusted RSF**						966,047
40	**NET STABLE FUNDING RATIO**						125.2%

[1] The amounts reported in row 15 Total ASF may not equal to the sum of individual rows in the ASF section due to non-transferrable subsidiary excess stable funding which is excluded from row 15 Total ASF.

[2] The amounts reported in row 22 (Loans and Securities) may not equal to the sum of individual rows 23-29 given that rows 26 and 28 are subsets of rows 25 and 27.

NSFR for the Quarter Ended March 31, 2023:

Consolidated Citigroup Average NSFR for the quarter ended March 31, 2023 In millions of U.S. Dollars		3/31/2023					
		Average Unweighted Amount					Average Weighted Amount
		Open Maturity	< 6 months	6 months to < 1 year	>= 1 year	Perpetual	
ASF ITEM							
1	Capital and securities:	-	40,995	20,731	474,409	97	484,871
2	NSFR regulatory capital elements	-	-	-	236,468	-	236,468
3	Other capital elements and securities	-	40,995	20,731	237,941	97	248,403
4	Retail funding:	333,102	57,434	39,301	5,563	-	372,364
5	Stable deposits	92,187	1,972	5,603	752	-	95,488
6	Less stable deposits	184,598	54,631	32,616	3,923	-	248,192
7	Sweep deposits, brokered reciprocal deposits, and brokered deposits	54,342	657	1,082	888	-	28,684
8	Other retail funding	1,975	174	-	-	-	-
9	Wholesale funding:	1,098,950	198,718	28,749	262	65	423,334
10	Operational deposits	452,519	36	1	-	-	226,278
11	Other wholesale funding	646,431	198,682	28,748	262	65	197,056
	Other liabilities:	718,313	57,712	2,921	3,050	-	4,510
12	NSFR derivatives liability amount					-	
13	Total derivatives liability amount					565,560	
14	All other liabilities not included in categories 1 through 13 of this table	152,753	57,712	2,921	3,050	-	4,510
15	**Total ASF**[1]						1,211,846
RSF ITEM							
16	Total high-quality liquid assets (HQLA)	296,155	114,193	36,910	502,137	11,698	32,114
17	Level 1 liquid assets	294,752	112,789	35,854	375,958	93	11
18	Level 2A liquid assets	-	521	667	109,438	2	16,594
19	Level 2B liquid assets	1,403	883	389	16,741	11,603	15,509
20	Zero percent RSF assets that are not level 1 liquid assets or loans to financial sector entities or their consolidated subsidiaries	131,681	26,982	138	2	-	7
21	Operational deposits placed at financial sector entities or their consolidated subsidiaries	5,141	-	-	-	-	2,571
22	Loans and securities[2]:	237,876	276,233	47,355	313,211	331,707	654,311
23	Loans to financial sector entities secured by level 1 liquid assets	126,083	130,616	8,684	13,526	-	23,746
24	Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities	61,620	72,827	9,402	17,923	58,972	102,915
25	Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	47,413	72,080	25,709	89,697	225,161	339,451
26	Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR 217)	3,323	8,039	1,197	7,789	4,813	15,978
27	Retail mortgages	-	-	3,560	128,936	2,308	93,114
28	Of which: With a risk weight of no greater than 50 percent under Regulation Q (12 CFR 217)	-	-	3,319	104,923	831	71,317
29	Securities that do not qualify as HQLA	2,760	710	-	63,129	45,266	95,085
	Other assets:	623,041	6,251	2,748	14,490	139,720	231,409
30	Commodities					-	-
31	Assets provided as initial margin for derivative transactions and contributions to CCP's mutualized loss-sharing arrangements	33,433	-	-	-	-	28,444
32	NSFR derivatives assets amount					10,049	10,049
33	Total derivatives assets amount					575,963	
34	RSF for potential derivatives portfolio valuation changes					-	30,609
35	All other assets not included in the categories 16-33 of this table, including nonperforming assets	3,596	6,251	2,748	14,490	139,720	162,307
36	Undrawn commitments					430,403	21,520
37	**TOTAL RSF prior to application of required stable funding adjustment percentage**						941,932
38	**Required stable funding adjustment percentage**						100%
39	**TOTAL adjusted RSF**						941,932
40	**NET STABLE FUNDING RATIO**						128.7%

[1] The amounts reported in row 15 Total ASF may not equal to the sum of individual rows in the ASF section due to non-transferrable subsidiary excess stable funding which is excluded from row 15 Total ASF.

[2] The amounts reported in row 22 (Loans and Securities) may not equal to the sum of individual rows 23-29 given that rows 26 and 28 are subsets of rows 25 and 27.

Main Drivers and Changes in NSFR:

As set forth in the tables above, Citi maintained an average NSFR above the 100% regulatory minimum during the first half of 2023. Citi's average NSFR for the quarter ended June 30, 2023 was 125%. Citi's average NSFR decreased from 129% for the quarter ended March 31, 2023, primarily driven by an increase in total RSF due to increases in loans and securities balances in support of client activity.

Composition of Available and Required Stable Funding:

Available Stable Funding for the Quarter ended 6/30/2023 and 3/31/2023 In millions of U.S. dollars	6/30/2023		3/31/2023	
	Unweighted Average	Weighted Average	Unweighted Average	Weighted Average
Capital and securities	537,599	486,429	536,232	484,871
Retail funding	434,465	371,429	435,400	372,364
Wholesale funding	1,362,108	412,295	1,326,744	423,334
Other liabilities	782,559	4,332	781,996	4,510
Total ASF[1]		**1,209,503**		**1,211,846**

The table above includes the main components of Citi's average ASF for the first and second quarters of 2023. For the quarter ended June 30, 2023, approximately 38% of Citi's total weighted average ASF[2] consisted of capital and long-term debt; 29% consisted of retail funding, which is mainly comprised of retail deposits; 32% consisted of wholesale funding, which is mainly comprised of operational deposits, non-operational deposits, and secured financing; and less than 1% consisted of other liabilities. Citi's total average ASF as of the second quarter of 2023 remained largely unchanged sequentially.

Required Stable Funding for the Quarter ended 6/30/2023 and 3/31/2023 In millions of U.S. dollars	6/30/2023		3/31/2023	
	Unweighted Average	Weighted Average	Unweighted Average	Weighted Average
Total high-quality liquid assets (HQLA)	956,015	30,975	961,093	32,114
Zero percent RSF assets that are not level 1 liquid assets or loans to financial sector entities or their consolidated subsidiaries	187,032	-	158,803	7
Operational deposits placed at financial sector entities or their consolidated subsidiaries	4,828	2,414	5,141	2,571
Loans and securities	1,232,942	667,376	1,206,382	654,311
Other assets	777,511	243,913	786,250	231,409
Undrawn commitments	427,386	21,369	430,403	21,520
Total RSF		**966,047**		**941,932**

The table above includes the main components of Citi's average RSF for the first and second quarters of 2023. For the quarter ended June 30, 2023, Citi's total weighted average RSF mainly consisted of 69% of loans and securities; and 25% of other assets which mainly included derivative assets, goodwill, premises and equipment and other assets not included in other RSF lines. Citi also had 3% of its total weighted average RSF in HQLA and 2% in undrawn commitments.

[1] The Total ASF amount may not equal to the sum of individual ASF components due to non-transferrable subsidiary excess stable funding which is excluded from Total ASF.

[2] Prior to the exclusion of the non-transferrable subsidiary excess stable funding.

Citi's total average RSF increased quarter-over-quarter as of the second quarter of 2023, primarily driven by an increase in loans and securities.

Concentration of Funding Sources and Changes in Funding Structure:

Citi's funding strategy is to maintain a funding profile that is diversified by structure, tenor and currency. Citi closely monitors and manages the tenor of its funding sources to ensure it can meet liquidity needs under different stress scenarios and different time horizons.

Citi's primary funding sources include (i) corporate and consumer deposits via Citi's bank subsidiaries, including Citibank, N.A. (CBNA), (ii) long-term debt (primarily benchmark senior and subordinated debt and what Citi refers to as customer-related debt, consisting of structured notes, such as equity- and credit-linked notes, as well as non-structured notes), and (iii) stockholders' equity. These sources may be supplemented by short-term borrowings, primarily in the form of secured funding transactions.

For CBNA, deposits represent its main funding source. In addition, to diversify its funding sources, CBNA accesses the capital markets through several mechanisms, including a CBNA debt program, securitizations and Federal Home Loan Bank borrowings. Citi's non-bank entities are largely funded through a Citigroup Inc. benchmark debt program, supplemented by secured funding, customer-related debt, and commercial paper issuances.

Citi's global liquidity risk management policy addresses concentration of funding sources through a limit and trigger framework, including counterparty, maturity and funding channel concentrations. For secured financing transactions, Citi takes into consideration the quality of the underlying collateral. The concentrations are monitored daily and reported to Citi's Treasurer and the Finance Chief Risk Officer (CRO). Breaches of limits and triggers are also reported to the Citigroup and CBNA Asset and Liability Committees (ALCOs).

For additional information on Citi's funding structure, see Citi's Second Quarter of 2023 Quarterly Report on Form 10-Q and 2022 Annual Report on Form 10-K.

Other Sources of Funding:

In addition to the funding sources disclosed above, Citi also has access to a variety of funding levers to support client and business needs, including but not limited to excess stable funding that is non-transferable to other entities within Citigroup, available assets to support Federal Home Loan Bank (FHLB) borrowing capacity, securitizations, and bank and non-bank borrowing programs. These borrowing programs are complementary and provide access to a diversified investor base globally. Citi has remaining capacity or is otherwise able to access incremental funding through these programs to support client and business needs.

For additional information on Citi's funding sources, see Citi's Second Quarter of 2023 Quarterly Report on Form 10-Q and 2022 Annual Report on Form 10-K.