

Data Centers, Geopolitics, and Energy Demand: *Forces Pulling Capital to the US*

Rising energy demand, geopolitical complexity, and the advantage of a diversified global portfolio are strategic drivers for international energy companies choosing to invest in the United States. For lean treasury teams, the challenge is how to support growth without sacrificing visibility, control or resilience.

Citi has seen a marked increase in U.S. activity with non-U.S. headquartered clients across the natural resource sector. Several forces are shaping strategic investment decisions for companies entering or expanding into the U.S.: an expectation that demand for energy will continue to rise, a complex global geopolitical environment, and a desire to capture value and reliability.

Historically, population and GDP growth have been among the primary drivers for energy demand growth. Now, the energy demand from data centers adds to the demand created by the growth and scale of the U.S. market, with a single data center comparable to adding several large metropolitan areas to the grid[1]. Given the power generation capacity required for data centers, many forms of energy including renewables, LNG, and traditional energy are experiencing higher long-term demand. Power producers as well as clients investing in energy production are benefiting from this growth in demand, and even specialty chemicals are forecasted by many to see increased demand in the U.S. as a result of data centers[2].

Many companies investing in the U.S. in response to energy demand trends are prominent in their home regions but historically have had no presence or a limited footprint in the U.S. Different sanction regulations, tariffs and shifting international relationships, alongside supply diversification

[1] According to the US Department of Energy, DOE Releases New Report Evaluating Increase in Electricity Demand from Data Centers | Department of Energy

[2] Various companies and research groups forecasting US specialty chemical markets across multi-year timelines with growth estimates varying from 2.97% to 12.9 % as a result of data centers and AI demand impact



and establishing new or closer ties to counterparties, have influenced strategic decisions to launch in the U.S. A recent Citi Institute GPS study found that 48% of corporates across sectors identify geopolitical risk as a key driver of rising cost pressures[3]. While foreign direct investments can vary year over year, clients that are establishing or expanding in the U.S. cite rationales such as asset values or cost advantages, and the desire for the optionality that global diversification provides.

For example, one energy and petrochemical major headquartered in Southeast Asia has recently established a U.S. presence. They saw the U.S. crude trading market as a strategic opportunity to diversify supply and compete more effectively on a global basis, with additional geographic optionality especially helpful when other parts of the world face supply constraints. Given the success of the U.S. office thus far, the team is continuing to invest in their U.S. presence, with plans to explore additional investment in crude and LNG trading.

Combining Global Visibility with Local Execution

When companies launch in the U.S., the practical demands of establishing banking arrangements, anticipating cash flow timing, and establishing counterparty relationships are core treasury activities. These activities must meet criteria around strong data transparency and enabling local business liquidity despite time-zone differences. Global treasury platforms, including Citi's CitiDirect® make meeting those requirements possible. A company can define which decisions remain at headquarters and which are delegated to the U.S. operation. Local teams act within agreed limits, while group treasury retains oversight of activity, balances and risk.

Data is gathered and can be viewed centrally even when execution is distributed across markets.

Basic cash management capabilities – including payments, liquidity structures, and account administration – are just the beginning. Global pooling supports liquidity management across entities, and self-service tools reduce the administrative burden of an expanding account structure. Key client functionality for U.S. subsidiaries includes:

- **Client-Initiated Requests:** Clients can submit incremental U.S. account opening requests directly on the platform, reducing manual back-and-forth with the bank
- **Real-Time Status Tracking:** Monitor request status, key milestones, and required actions through a centralized dashboard
- **AI-Powered Intelligent Document Processing:** Upload documents while Citi AI validates submissions, extracts key information, and identifies missing items, reducing manual follow-up
- **Digital Signatures & Smart Pre-Population:** Enable eSignatures where permitted and automatically pre-fill information already on file, requesting only new or missing data

This client-initiated capability offered in the U.S. provides clients with greater control, transparency, and speed while reducing friction across the onboarding journey.

Citi Token Services for Cash (CTS) is another example of enhanced capabilities

[3] Citi Institute GPS: The World Rewired, September 2026 Author: Citi Client Advisory Group

which benefit a global organization expanding into the U.S. Citi leverages blockchain technology to enable customers to initiate 24/7 domestic and cross-border payments and liquidity transfers across participating Citi branches including off-hours, weekends, and holidays. The client experience requires no special account, wallet, or token holding, as transfers are made through existing CitiDirect® accounts or APIs. Built on a private and permissioned blockchain that is solely owned and managed by Citi, the platform is designed to support high standards of safety and soundness for clients. With the recent addition of Japan supporting USD transactions and UAE supporting both USD and EUR transactions, the Citi Token Services footprint has expanded to 7 markets: the United States, Ireland, Hong Kong, Singapore, the United Kingdom, Japan, and UAE.

Citi has seen bank connectivity evolve from a bank portal model with manual logins and batch end of day statements, through Host-to-Host file-based connections, to API connectivity with ISO 20022 camt/pain messages, and we are now charting the emerging model of A2A protocol which will further enable real time treasury. Self-service, CTS, and connectivity which supports genuine real time treasury will give a Parent company's central treasury the global transparency required while allowing U.S. subsidiaries to exercise defined levels of independence needed to meet business objectives.

Trade Finance Can Help New Operations Take Root

Citi has also seen a surge in Trade finance as these solutions address two important needs for global firms entering the U.S.: establishing relationships with a new group of suppliers and managing subsidiary working capital wisely.

Despite international recognition of the parent company, suppliers in the U.S. may not have an existing relationship with the company or the new U.S. subsidiary, and the company may have limited experience working with the supplier. Traditional trade instruments create confidence while commercial relationships develop in the U.S. market. Standby Letters of Credit (SBLCs) allow businesses to manage default risk on performance obligations by providing a financial guarantee independent of the underlying contract. Citi's SBLC solution is delivered through CitiDirect® V3, a 24/7 global digital platform, supported by 24/7 multilingual service, over 2,000 trade professionals, and availability across 95+ countries. Key features include electronic application submission, centralized amendment and authorization, and real-time visibility into document status. Benefits include secure payment assurance for exporters in the event of buyer default, an alternative to advance payment structures, and real-time application tracking.

Citi's eLoans platform digitizes the trade loan lifecycle, allowing clients to finance commercial activity and manage working capital needs on a single, globally consistent platform accessed through CitiDirect®. The solution eliminates physical documentation, enabling clients to initiate loan requests in a few clicks, view reports on upcoming loan maturities, access loan agreements, manage bank account information, and track interest rates and repayment schedules. Available in the U.S. and across more than 90 markets globally, onboarding requires only a signed master credit agreement and platform training. Clients have praised the platform for delivering "agility and efficiency" with just a few clicks.

Facilitating supplier relationships and managing local cash positions at both the subsidiary and headquarter level is enabled through supply chain finance (SCF). Where traditional trade instruments such as SBLCs help companies establish new relationships, SCF helps them grow and operate efficiently as they scale. Benefits include enhanced working capital for both the supplier and buyer, and stronger buyer-supplier relationships via terms both view as favorable. Citi's SCF capabilities span over 90 markets, reaching suppliers in 130+ countries across more than 400,000 buyer-supplier relationships, delivered through the CitiDirect V3 platform. The global capability of SCF allows a U.S. subsidiary to implement SCF in the U.S. or join a Parent's existing Citi SCF program, with both the Parent and U.S. subsidiary able to maintain program visibility and reporting.

Banking platforms are a valuable enabler of trade finance solutions across the different time zones of the Parent and U.S. subsidiaries. An Asian headquarters may be as much as 12 hours ahead of the U.S., increasing the subsidiary's need to have flexibility to manage credit limits locally within policy limits during the U.S. working day, with Parent group treasury retaining consistent oversight and controls. Citi's strong U.S. capabilities delivered through a global platform allow a U.S. subsidiary to establish relationships with suppliers and manage subsidiary working capital wisely, while giving transparency to a Parent company.



US Capabilities, Globally Visibility

For international companies operating a U.S. subsidiary, treasury and finance teams must outline what operating model can best support expansion while maintaining visibility, control, and local operating flexibility. Effective deployment of a global platform with sophisticated cash management tools and tailored trade finance solutions can help support these objectives.

Citi® Services supports our energy clients' diverse payment, liquidity and working capital needs in over 95 countries. For companies establishing or expanding U.S. operations, Citi can open accounts, transfer funds, onboard suppliers and manage working capital within a consistent global structure. Our team of solutions specialists can further enhance client expansion plans, leveraging Citi solutions and their practical experience in topics such as treasury responsibilities, liquidity management, and balancing local team needs while staying aligned with headquarter objectives.

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