Portfolio allocations

This document shows the strategic and tactical liquid portfolio allocations for risk levels 1 to 5 set by Citi Private Bank's Global Investment Committee on June 17, 2020.

Risk level 1

Risk level 1 is designed for investors who have a preference for capital preservation and relative safety over the potential for a return on investment. These investors prefer to hold cash, time deposits and/or lower risk fixed income instruments.

Classification	Strategic (%)	Tactical (%)	Active (%)
Cash	6.0	4.0	-2.0
Fixed income	94.0	95.7	1.7
Developed Investment Grade	80.8	80.2	-0.6
US	46.1	56.0	9.9
Government	19.4	23.8	4.4
Inflation-Linked	2.7	3.2	0.5
Short	5.2	7.1	1.9
Intermediate	8.0	10.0	2.0
Long	3.5	3.5	0.0
Securitized	15.1	16.6	1.5
Credit	11.7	15.7	4.0
Short	1.7	2.7	1.0
Intermediate	6.3	9.3	3.0
Long	3.7	3.7	0.0
Europe	25.7	18.7	-7.0
Government	19.9	12.4	-7.5
Credit	5.7	6.2	0.5
Australia	0.4	0.4	0.0
Government	0.4	0.4	0.0
Japan	8.7	5.2	-3.5
Government	8.7	5.2	-3.5
Developed High Yield	6.6	7.6	1.0
US	5.1	6.1	1.0
Europe	1.5	1.5	0.0
Emerging Market Debt	6.6	7.9	1.3
Asia	1.1	1.9	0.8
Local currency	0.6	0.9	0.3
Foreign currency	0.6	1.1	0.5
EMEA	3.6	3.6	0.0
Local currency	1.8	1.8	0.0
Foreign currency	1.8	1.8	0.0
LatAm	1.8	2.3	0.5
Local currency	0.9	0.9	0.0
Foreign currency	0.9	1.4	0.5

Classification	Strategic (%)	Tactical (%)	Active (%)
Equities	0.0	0.0	0.0
Developed Equities	0.0	0.0	0.0
Developed Large Cap Equities	0.0	0.0	0.0
US	0.0	0.0	0.0
Canada	0.0	0.0	0.0
UK	0.0	0.0	0.0
Switzerland	0.0	0.0	0.0
Europe ex UK ex Switzerland	0.0	0.0	0.0
Asia ex Japan	0.0	0.0	0.0
Japan	0.0	0.0	0.0
Developed Small/Mid Cap Equities	0.0	0.0	0.0
US	0.0	0.0	0.0
Non-US	0.0	0.0	0.0
Emerging All Cap Equities	0.0	0.0	0.0
Asia	0.0	0.0	0.0
China	0.0	0.0	0.0
Asia (ex China)	0.0	0.0	0.0
EMEA	0.0	0.0	0.0
LatAm	0.0	0.0	0.0
Brazil	0.0	0.0	0.0
LatAm ex Brazil	0.0	0.0	0.0
Commodities	0.0	0.3	0.3
Thematic	0.0	0.0	0.0
Global Equity REITs	0.0	0.0	0.0
US Mortgage REITs	0.0	0.0	0.0
Total	100.0	100.0	0.0

Strategic = benchmark; tactical = the

Risk level 2

Risk level 2 is designed for investors who emphasize capital preservation over return on investment, but who are willing to subject some portion of their principal to increased risk in order to generate a potentially greater rate of return on investment.

Classification	Strategic (%)	Tactical (%)	Active (%)
Cash	4.0	2.5	-1.5
Fixed income	64.1	61.1	-3.0
Developed Investment Grade	57.6	53.2	-4.4
US	32.9	38.9	6.0
Government	13.8	16.5	2.7
Inflation-Linked	1.9	2.6	0.7
Short	3.7	4.7	1.0
Intermediate	5.7	6.7	1.0
Long	2.5	2.5	0.0
Securitized	10.7	11.8	1.1
Credit	8.3	10.5	2.2
Short	1.2	1.4	0.2
Intermediate	4.5	6.5	2.0
Long	2.6	2.6	0.0
Europe	18.3	11.3	-7.0
Government	14.2	7.2	-7.0
Credit	4.1	4.1	0.0
Australia	0.3	0.3	0.0
Government	0.3	0.3	0.0
Japan	6.2	2.8	-3.4
Government	6.2	2.8	-3.4
Developed High Yield	2.0	2.2	0.2
US	1.6	1.8	0.2
Europe	0.4	0.4	0.0
Emerging Market Debt	4.5	5.7	1.2
Asia	0.8	1.6	0.8
Local currency	0.4	0.7	0.3
Foreign currency	0.4	0.9	0.5
EMEA	2.5	2.5	0.0
Local currency	1.2	1.2	0.0
Foreign currency	1.2	1.2	0.0
LatAm	1.2	1.6	0.4
Local currency	0.6	0.6	0.0
Foreign currency	0.6	1.0	0.4

Classification	Strategic (%)	Tactical (%)	Active (%)
Equities	31.9	34.4	2.5
Developed Equities	27.5	29.0	1.5
Developed Large Cap Equities	24.1	23.9	-0.2
US	16.0	16.0	0.0
Canada	0.8	0.8	0.0
UK	1.1	1.1	0.0
Switzerland	0.8	0.8	0.0
Europe ex UK ex Switzerland	2.4	2.0	-0.4
Asia ex Japan	0.9	1.1	0.2
Japan	2.0	2.0	0.0
Developed Small/Mid Cap Equities	3.4	5.1	1.7
US	1.8	3.3	1.5
Non-US	1.7	1.9	0.2
Emerging All Cap Equities	4.4	5.4	1.0
Asia	3.8	4.4	0.6
China	2.3	2.6	0.3
Asia (ex China)	1.4	1.7	0.3
EMEA	0.3	0.1	-0.2
LatAm	0.3	0.9	0.6
Brazil	0.2	0.5	0.3
LatAm ex Brazil	0.1	0.4	0.3
Commodities	0.0	1.0	1.0
Thematic	0.0	1.0	1.0
Global Equity REITs	0.0	0.5	0.5
US Mortgage REITs	0.0	0.5	0.5
Total	100.0	100.0	0.0

Strategic = benchmark; tactical = the

Risk level 3

Risk level 3 is designed for investors with a blended objective who require a mix of assets and seek a balance between investments that offer income and those positioned for a potentially higher return on investment. Risk level 3 may be appropriate for investors willing to subject their portfolio to additional risk for potential growth in addition to a level of income reflective of his/her stated risk tolerance.

Classification	Strategic (%)	Tactical (%)	Active (%)
Cash	2.0	1.0	-1.0
Fixed income	36.6	31.1	-5.5
Developed Investment Grade	32.3	25.8	-6.5
US	18.4	21.8	3.4
Government	7.7	10.2	2.5
Inflation-Linked	1.1	2.1	1.0
Short	2.1	2.6	0.5
Intermediate	3.2	4.2	1.0
Long	1.4	1.4	0.0
Securitized	6.0	6.3	0.3
Credit	4.7	5.3	0.6
Short	0.7	0.7	0.0
Intermediate	2.5	3.1	0.6
Long	1.5	1.5	0.0
Europe	10.2	3.5	-6.7
Government	8.0	1.5	-6.5
Credit	2.3	2.1	-0.2
Australia	0.2	0.2	0.0
Government	0.2	0.2	0.0
Japan	3.5	0.3	-3.2
Government	3.5	0.3	-3.2
Developed High Yield	2.0	2.0	0.0
US	1.6	1.6	0.0
Europe	0.4	0.4	0.0
Emerging Market Debt	2.3	3.3	1.0
Asia	0.4	1.0	0.6
Local currency	0.2	0.4	0.2
Foreign currency	0.2	0.6	0.4
EMEA	1.3	1.3	0.0
Local currency	0.6	0.6	0.0
Foreign currency	0.6	0.6	0.0
LatAm	0.7	1.1	0.4
Local currency	0.3	0.4	0.1
Foreign currency	0.3	0.6	0.3

Classification	Strategic (%)	Tactical (%)	Active (%)
Equities	61.4	64.4	3.0
Developed Equities	53.2	54.9	1.7
Developed Large Cap Equities	46.5	46.0	-0.5
US	31.0	31.0	0.0
Canada	1.5	1.5	0.0
UK	2.2	2.2	0.0
Switzerland	1.6	1.6	0.0
Europe ex UK ex Switzerland	4.5	3.7	-0.8
Asia ex Japan	1.7	2.0	0.3
Japan	4.0	4.0	0.0
Developed Small/Mid Cap Equities	6.6	8.8	2.2
US	3.4	5.4	2.0
Non-US	3.2	3.4	0.2
Emerging All Cap Equities	8.2	9.5	1.3
Asia	7.0	7.7	0.7
China	4.4	4.7	0.3
Asia (ex China)	2.6	3.0	0.3
EMEA	0.6	0.2	-0.4
LatAm	0.6	1.6	1.0
Brazil	0.4	0.9	0.5
LatAm ex Brazil	0.2	0.7	0.5
Commodities	0.0	1.5	1.5
Thematic	0.0	2.0	2.0
Global Equity REITs	0.0	1.0	1.0
US Mortgage REITs	0.0	1.0	1.0
Total	100.0	100.0	0.0

Strategic = benchmark; tactical = the

Risk level 4

Risk level 4 is designed for investors with a blended objective who require a mix of assets and seek a balance between investments that offer income and those positioned for a potentially higher return on investment. They are willing to subject a large portion of their portfolio to greater risk and market value fluctuations in anticipation of a potentially greater return on investment. Investors may have a preference for investments or trading strategies that may assume higher-than-normal market risks and/or potentially less liquidity with the goal (but not guarantee) of commensurate gains.

Classification	Strategic (%)	Tactical (%)	Active (%)
Cash	2.0	1.5	-0.5
Fixed income	18.5	10.9	-7.6
Developed Investment Grade	16.5	8.5	-8.0
US	9.4	7.6	-1.8
Government	3.9	3.9	0.0
Inflation-Linked	0.6	0.6	0.0
Short	1.1	1.1	0.0
Intermediate	1.6	1.6	0.0
Long	0.7	0.7	0.0
Securitized	3.1	1.8	-1.3
Credit	2.4	1.9	-0.5
Short	0.3	0.3	0.0
Intermediate	1.3	0.8	-0.5
Long	0.8	0.8	0.0
Europe	5.2	0.7	-4.5
Government	4.1	0.6	-3.5
Credit	1.2	0.2	-1.0
Australia	0.1	0.1	0.0
Government	0.1	0.1	0.0
Japan	1.8	0.1	-1.7
Government	1.8	0.1	-1.7
Developed High Yield	0.0	0.0	0.0
US	0.0	0.0	0.0
Europe	0.0	0.0	0.0
Emerging Market Debt	2.0	2.4	0.4
Asia	0.3	0.6	0.3
Local currency	0.2	0.2	0.0
Foreign currency	0.2	0.5	0.3
EMEA	1.1	1.1	0.0
Local currency	0.5	0.5	0.0
Foreign currency	0.5	0.5	0.0
LatAm	0.6	0.7	0.1
Local currency	0.3	0.3	0.0
Foreign currency	0.3	0.4	0.1

Classification	Strategic (%)	Tactical (%)	Active (%)
Equities	79.5	83.0	3.5
Developed Equities	68.6	70.5	1.9
Developed Large Cap Equities	60.0	58.9	-1.2
US	40.0	40.0	0.0
Canada	2.0	2.0	0.0
UK	2.8	2.8	0.0
Switzerland	2.0	2.0	0.0
Europe ex UK ex Switzerland	5.9	4.2	-1.7
Asia ex Japan	2.2	2.7	0.5
Japan	5.1	5.1	0.0
Developed Small/Mid Cap Equities	8.6	11.6	3.0
US	4.4	6.7	2.2
Non-US	4.1	4.9	0.8
Emerging All Cap Equities	11.0	12.6	1.6
Asia	9.4	10.2	0.8
China	5.9	6.3	0.4
Asia (ex China)	3.5	3.9	0.4
EMEA	0.8	0.2	-0.6
LatAm	0.7	2.1	1.4
Brazil	0.5	1.2	0.7
LatAm ex Brazil	0.3	1.0	0.7
Commodities	0.0	1.6	1.6
Thematic	0.0	3.0	3.0
Global Equity REITs	0.0	1.5	1.5
US Mortgage REITs	0.0	1.5	1.5
Total	100.0	100.0	0.0

Strategic = benchmark; tactical = the

Risk level 5

Risk level 5 is designed for investors who emphasize return on investment. They are willing to subject their entire portfolio to greater risk and market value fluctuations in anticipation of a potentially greater return on investments. Investors may have a preference for investments or trading strategies that may assume higher-than-normal market risks and/or potentially less liquidity with the goal (but not guarantee) of commensurate gains. Clients may engage in tactical or opportunistic trading, which may involve higher volatility and variability of returns.

Classification	Strategic (%)	Tactical (%)	Active (%)
Cash	0.0	0.0	0.0
Fixed income	0.0	0.0	0.0
Developed Investment Grade	0.0	0.0	0.0
US	0.0	0.0	0.0
Government	0.0	0.0	0.0
Inflation-Linked	0.0	0.0	0.0
Short	0.0	0.0	0.0
Intermediate	0.0	0.0	0.0
Long	0.0	0.0	0.0
Securitized	0.0	0.0	0.0
Credit	0.0	0.0	0.0
Short	0.0	0.0	0.0
Intermediate	0.0	0.0	0.0
Long	0.0	0.0	0.0
Europe	0.0	0.0	0.0
Government	0.0	0.0	0.0
Credit	0.0	0.0	0.0
Australia	0.0	0.0	0.0
Government	0.0	0.0	0.0
Japan	0.0	0.0	0.0
Government	0.0	0.0	0.0
Developed High Yield	0.0	0.0	0.0
US	0.0	0.0	0.0
Europe	0.0	0.0	0.0
Emerging Market Debt	0.0	0.0	0.0
Asia	0.0	0.0	0.0
Local currency	0.0	0.0	0.0
Foreign currency	0.0	0.0	0.0
EMEA	0.0	0.0	0.0
Local currency	0.0	0.0	0.0
Foreign currency	0.0	0.0	0.0
LatAm	0.0	0.0	0.0
Local currency	0.0	0.0	0.0
Foreign currency	0.0	0.0	0.0

Classification	Strategic (%)	Tactical (%)	Active (%)
Equities	100.0	96.0	-4.0
Developed Equities	86.2	80.7	-5.5
Developed Large Cap Equities	75.4	66.4	-9.0
US	50.3	48.8	-1.5
Canada	2.5	2.0	-0.5
UK	3.5	3.0	-0.5
Switzerland	2.5	2.0	-0.5
Europe ex UK ex Switzerland	7.4	4.4	-3.0
Asia ex Japan	2.8	2.3	-0.5
Japan	6.4	3.9	-2.5
Developed Small/Mid Cap Equities	10.8	14.3	3.5
US	5.6	8.1	2.5
Non-US	5.2	6.2	1.0
Emerging All Cap Equities	13.8	15.3	1.5
Asia	11.8	12.8	1.0
China	7.4	7.9	0.6
Asia (ex China)	4.4	4.9	0.4
EMEA	1.0	0.0	-1.0
LatAm	0.9	2.4	1.5
Brazil	0.6	1.4	0.8
LatAm ex Brazil	0.3	1.0	0.7
Commodities	0.0	0.0	0.0
Thematic	0.0	4.0	4.0
Global Equity REITs	0.0	3.0	3.0
US Mortgage REITs	0.0	1.0	1.0
Total	100.0	100.0	0.0

Strategic = benchmark; tactical = the Citi

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Bond rating equivalence

Alpha and/or numeric symbols used to give indications of relative credit quality. In the municipal market, these designations are published by the rating services. Internal ratings are also used by other market participants to indicate credit quality.

Bond credit quality ratings	Rating agencies		
Credit risk	**Moody's[1]**	**Standard and Poor's[2]**	**Fitch Ratings[2]**
Investment Grade			
Highest quality	Aaa	AAA	AAA
High quality (very strong)	Aa	AA	AA
Upper medium grade (Strong)	A	A	A
Medium grade	Baa	BBB	BBB
Not Investment Grade			
Lower medium grade (somewhat speculative)	Ba	BB	BB
Low grade (speculative)	B	B	B
Poor quality (may default)	Caa	CCC	CCC
Most speculative	Ca	CC	CC
No interest being paid or bankruptcy petition filed	C	D	C
In default	C	D	D

1 The ratings from Aa to Ca by Moody's may be modified by the addition of a 1, 2, or 3 to show relative standing within the category.
2 The ratings from AA to CC by Standard and Poor's and Fitch Ratings may be modified by the addition of a plus or a minus to show relative standing within the category.

(MLP's) - Energy Related MLPs May Exhibit High Volatility. While not historically very volatile, in certain market environments Energy Related MLPS may exhibit high volatility.

Changes in Regulatory or Tax Treatment of Energy Related MLPs. If the IRS changes the current tax treatment of the master limited partnerships included in the Basket of Energy Related MLPs thereby subjecting them to higher rates of taxation, or if other regulatory authorities enact regulations which negatively affect the ability of the master limited partnerships to generate income or distribute dividends to holders of common units, the return on the Notes, if any, could be dramatically reduced. Investment in a basket of Energy Related MLPs may expose the investor to concentration risk due to industry, geographical, political, and regulatory concentration.

Mortgage-backed securities ("MBS"), which include collateralized mortgage obligations ("CMOs"), also referred to as real estate mortgage investment conduits ("REMICs"), may not be suitable for all investors. There is the possibility of early return of principal due to mortgage prepayments, which can reduce expected yield and result in reinvestment risk. Conversely, return of principal may be slower than initial prepayment speed assumptions, extending the average life of the security up to its listed maturity date (also referred to as extension risk).

Additionally, the underlying collateral supporting non-Agency MBS may default on principal and interest payments. In certain cases, this could cause the income stream of the security to decline and result in loss of principal. Further, an insufficient level of credit support may result in a downgrade of a mortgage bond's credit rating and lead to a higher probability of principal loss and increased price volatility. Investments in subordinated MBS involve greater credit risk of default than the senior classes of the same issue. Default risk may be pronounced in cases where the MBS security is secured by, or evidencing an interest in, a relatively small or less diverse pool of underlying mortgage loans.

MBS are also sensitive to interest rate changes which can negatively impact the market value of the security. During times of heightened volatility, MBS can experience greater levels of illiquidity and larger price movements. Price volatility may also occur from other factors including, but not limited to, prepayments, future prepayment expectations, credit concerns, underlying collateral performance and technical changes in the market.

Alternative investments referenced in this report are speculative and entail significant risks that can include losses due to leveraging or other speculative investment practices, lack of liquidity, volatility of returns, restrictions on transferring interests in the fund, potential lack of diversification, absence of information regarding valuations and pricing, complex tax structures and delays in tax reporting, less regulation and higher fees than mutual funds and advisor risk.

Asset allocation does not assure a profit or protect against a loss in declining financial markets.

The indexes are unmanaged. An investor cannot invest directly in an index. They are shown for illustrative purposes only and do not represent the performance of any specific investment. Index returns do not include any expenses, fees or sales charges, which would lower performance.

Past performance is no guarantee of future results.

International investing entails greater risk, as well as greater potential rewards compared to US investing. These risks include political and economic uncertainties of foreign countries as well as the risk of currency fluctuations. These risks are magnified in countries with emerging markets, since these countries may have relatively unstable governments and less established markets and economics.

Investing in smaller companies involves greater risks not associated with investing in more established companies, such as business risk, significant stock price fluctuations and illiquidity.

Factors affecting commodities generally, index components composed of futures contracts on nickel or copper, which are industrial metals, may be subject to a number of additional factors specific to industrial metals that might cause price volatility. These include changes in the level of industrial activity using industrial metals (including the availability of substitutes such as manmade or synthetic substitutes); disruptions in the supply chain, from mining to storage to smelting or refining; adjustments to inventory; variations in production costs, including storage, labor and energy costs; costs associated with regulatory compliance, including environmental regulations; and changes in industrial, government and consumer demand, both in individual consuming nations and internationally. Index components concentrated in futures contracts on agricultural products, including grains, may be subject to a number of additional factors specific to agricultural products that might cause price volatility. These include weather conditions, including floods, drought and freezing conditions; changes in government policies; planting decisions; and changes in demand for agricultural products, both with end users and as inputs into various industries.

The information contained herein is not intended to be an exhaustive discussion of the strategies or concepts mentioned herein or tax or legal advice. Readers interested in the strategies or concepts should consult their tax, legal, or other advisors, as appropriate.

Diversification does not guarantee a profit or protect against loss. Different asset classes present different risks.

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