



Citi JGB Futures Active Strategy (Target Volatility 5%) Index (the “Index”)

Announcement

23 February 2017

Capitalized terms that are not defined in this announcement have the meanings given to them in the Index Conditions of the Index.

Citigroup Global Markets Limited is sending this notice in its capacity as index sponsor (the “**Index Sponsor**”) of the Index.

On 26 August 2016 (the “**Rebasing Date**”), the Statistics Bureau of the Japanese Ministry of Internal Affairs and Communications rebased the Japan Consumer Price Index Nationwide (All items, less fresh food), which constitutes the Consumer Price Index under the terms and conditions (the “**Conditions**”) of the Index. This rebased iteration of the Consumer Price Index is known as the 2015 series (the “**2015 Series**”) and the previous iteration is known as the 2010 series (the “**2010 Series**”).

As part of the rebasing process, the level of the 2010 Series was moved to a new Bloomberg ticker (JC10GENF) and terminated. The level available on the Bloomberg ticker JCPNGENF (being the ticker referenced as the source of the level of the Consumer Price Index pursuant to the Conditions) is that of the 2015 Series.

For all calculations of the relevant signal, the Index Sponsor, exercising its expert judgement, will use the levels available on the Bloomberg ticker (1) JC10GENF for calculations in respect of any day prior to the Rebasing Date and (2) JCPNGENF for calculations in respect of any day from (and including) the Rebasing Date. Accordingly, investors should note that historical levels of the Index prior to the Rebasing Date (based on the 2010 Series) may well be different to any back-testing of levels of the Index in respect of any days prior to the Rebasing Date, determined with reference to the 2015 Series.

The Index Sponsor is of the view that this does not alter the Index or its commercial objective in any material way, and that there is therefore no requirement to amend the Conditions.

Further information on the rebasing process can be found here:
<http://www.stat.go.jp/english/data/cpi/1589.htm>.

Past behaviour of the Consumer Price Index is not a reliable indicator of future behaviour, and should not be regarded as an indication of future behaviour. The Consumer Price Index may go down as well as up.

The Index Sponsor and the Index Calculation Agent reserve the right to make adjustments and determinations, in compliance with the IOSCO principles and using expert judgement in the event of market disruptions and extraordinary events, in accordance with the Index Conditions.

If you have questions, please contact your Citi sales representative, or e-mail your questions to: cipd@citi.com.

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Authorized by the Prudential Regulation Authority, and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

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