



Investment idea:

**“The largest US bank shares with profit!
Make money on Citigroup shares”**



Citigroup Inc. (#C) – is an American financial services holding company related to an international financial conglomerate. **Citigroup is one of the four largest banks in the United States.** In the management of the bank is more than 1.8 trillion \$. Citigroup is the primary dealer of US Treasury securities. Citigroup Inc. was formed on April 7, 1998 as a result of the merger of Citicorp and the Travelers Group.

**Reasons to buy shares of Citigroup Inc.
in September**





1. Optimistic forecasts. After a series of relatively weak quarterly reports, earnings per share remained stably high and outpaced forecasts. We can assume that the recession period is coming to an end, as indicated by the balance between profitability and EPS (earnings per share), while forecasts for the next quarter remain very optimistic.

The forecast for these shares for the next quarter: the company's income of \$ 18.45 billion, EPS (earnings per share) is expected at 1.68.

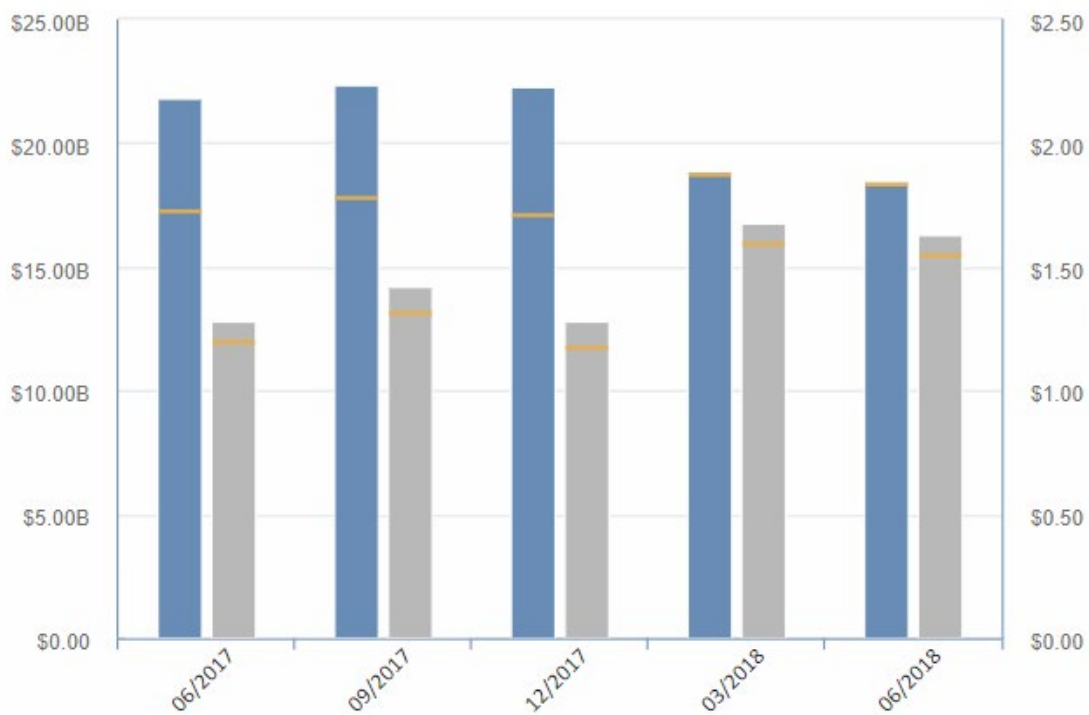


Fig. 1. Citigroup Inc. profitability chart

Blue column - revenue, gray column - EPS, orange line - forecast.

2. Fundamental factors. The US Federal Reserve tight monetary policy and the intention of key interest rates raising in the US remain





the main factor for increasing the profitability of these stocks and the US financial sector.

Also do not forget about the US state bonds yield, because Citigroup Inc. shares have a direct correlation with it. State bonds, in turn, remain near the monthly lows.



Fig. 2. Citigroup Inc. shares and 10-year-old US state bonds yield chart

Blue line - 10-year-old US state bonds yield, that remains in a stable upward trend since the start of the year. At the same time, the lower yield margin remains at the level of 2.82-2.80%.

3. Technical factors. Last three months shares of Citigroup Inc. are traded in the upward channel, thereby indicating the formation of the second part of the trade figure «*inverted head and shoulders.*» This figure is a reversal pattern and may become the reason for annual trend change.





Fig. 3. Citigroup Inc. shares chart

Citigroup Inc. shares remain in the three-month uptrend and form a reversal model «*inverted head and shoulders.*»

Risk factor, the slowdown of the US financial sector and the world economy growth can limit the growth of these shares.

The main issue is to connect the idea on forming a reversal!

Recommended period of connection to the idea is from August 30 to September 7, 2018.

The period of working out the idea is until October 1, 2018.

The recommended start amount is \$ 10,000.

The potential profit is from 200% to 400% of the lot size.

Connect

**Entry points, exact profit, protective orders and transaction hedging - check with the manager when you connect!*