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Citi Shuts Muni Business That Once Was Envy of Rivals.

- **Bank has plummeted in muni-bond underwriting rankings**
- **Decision comes as Fraser reshapes firm to meet profit goals**

Citigroup Inc. will shutter its municipal business, one of the most dramatic moves yet by Chief Executive Officer Jane Fraser as she seeks to squeeze better returns out of the Wall Street giant.

The bank decided the business, which has tumbled in the rankings for underwriting state and local debt, is “no longer viable given our commitment to increase the firm’s overall returns,” according to a memo to staff seen by Bloomberg News. Citigroup intends to complete the wind down by the end of the first quarter, which will mean most of the company’s municipal sales, trading and banking staffers will be departing the bank in the coming months.

“We have made the difficult decision to wind down our municipal underwriting and market-making activities,” the memo said.

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