

HSBC Emerging Markets Debt Fund

Share Class A (HCGAX) and Class I (HCGIX)

Fund description and strategy

The Fund seeks to maximize total return (comprised of capital appreciation and income) primarily through active allocation to emerging market hard currency-denominated sovereign and quasi-sovereign debt as well as emerging market local currency-denominated sovereign debt.* The investment team follows a fundamentally-driven approach in an attempt to add value over the benchmark by selecting attractive opportunities.

Total returns	As of March 31, 2019						
	1 month	3 months	YTD	1 Year	3 Years	5 Years	Since inception
Class A without sales charge	-0.32%	4.57%	4.57%	-4.04%	3.47%	3.27%	4.47%
Class A with maximum sales charge (4.75%)	-5.10%	-0.35%	-0.35%	-8.62%	1.82%	2.27%	3.83%
Class I	-0.31%	4.74%	4.74%	-3.65%	3.86%	3.62%	4.84%
Composite Benchmark*	0.06%	4.76%	4.76%	-2.11%	4.30%	2.05%	2.70%
JP Morgan Emerging Markets Bond Index Global	1.45%	6.59%	6.59%	3.52%	5.20%	4.80%	5.62%

Calendar Year Total returns	2018	2017	2016	2015	2014	2013	2012
Class A without sales charge	-7.40%	10.61%	8.37%	0.03%	5.17%	-7.57%	19.23%
Class A with max. sales charge (4.75%)	-11.80%	5.38%	3.26%	-4.73%	0.21%	-12.00%	13.52%
Class I	-7.12%	11.02%	8.69%	0.34%	5.64%	-7.33%	19.74%
Composite Benchmark*	-5.33%	12.26%	10.18%	-7.12%	-0.20%	-7.76%	17.74%
JP Morgan Emerging Markets Bond Index Global	-4.61%	9.32%	10.19%	1.23%	5.53%	-6.58%	18.54%

Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal value will fluctuate so that an investor's shares, when redeemed may be worth more or less than the original cost. To obtain performance data current to the most recent month-end and other information, please call 1-888-936-4722 or visit <https://investorfunds.us.hsbc.com>.

Fund inception date is April 7, 2011. Returns include the reinvestment of dividends and income. Returns greater than one year are annualized and returns less than one year are aggregated. Performance for other share classes will vary. The performance above reflects any fee waivers that have been in effect during the applicable periods as well as any expense reimbursements that have periodically been made. Absent such waivers and reimbursements, returns would have been lower. Currently, contractual fee waivers are in effect from March 1, 2019 through March 1, 2020.

Fund characteristics ¹	Fund	Benchmark
Yield to maturity (%)	6.55	6.22
Average maturity (years)	9.09	9.54
Duration (years)	5.68	6.05
Number of holdings	309	952

Top 10 geographies (%)	Fund
Mexico	12.1
Indonesia	11.1
Brazil	6.9
Russian Federation	6.5
Turkey	6.3
Poland	6.0
South Africa	5.6
Colombia	5.2
Argentina	5.2
Thailand	3.6

Sector allocation (%)	Fund	Benchmark
Local sovereign bonds	47.2	49.3
US-denominated sovereign	33.9	36.2
US-denominated quasi	11.7	14.2
US-denominated corporate	5.3	0.3
Local currency	3.8	—
Cash/Offsets	-1.9	—
Total	100.0	100.0

Top 10 holdings	Weight (%)	Currency ²
U.S. 5Yr Note Fut Jun19	8.2	USD
Indonesia, 8.375%, 9/15/26	2.6	IDR
Mex Bonos, 7.50%, 6/3/27	2.4	MXN
Brazil Ntnf, 10.00%, 1/1/21	2.4	BRL
Titulos De, 10.00%, 7/24/24	2.2	COP
Poland Gov, 3.25%, 7/25/25	1.9	PLN
Russia Govt Vrn, 1/19/28	1.5	RUB
Indonesia, 8.375%, 3/15/24	1.5	IDR
South Africa, 6.25%, 3/31/36	1.5	ZAR
Thai Gov, 3.85%, 12/12/25	1.4	THB

Fund details

Total net assets of all Fund classes⁺⁺
\$52.0 M

Emerging Markets Debt Team

Nishant Upadhyay, Head of Global Emerging Market Debt Portfolio Management Team
17 years industry experience

Zeke Diwan, Senior Portfolio Manager
22 years industry experience

Billy Lang, Portfolio Manager
13 years industry experience

Expense ratio (gross/net)³

A: 2.36% / 0.85% I: 2.01% / 0.50%

SEC 30-day yield⁴

A: 3.82% I: 4.37%

Monthly income distributions per share (as of March 31, 2019)

A: \$0.0286 I: \$0.0300

Portfolio data is subject to change. The information provided should not be considered as a recommendation to purchase or sell a particular security or securities in the sectors and geographies shown above. There is no assurance that the securities mentioned remain in the Fund's portfolio or that securities sold have not been repurchased.

* The Fund implemented its current investment strategy effective close of April 7, 2017. The performance of the Fund for periods prior to April 7, 2017 is not representative of the Fund's current investment strategy and the relevant benchmark for the period prior to close of April 7, 2017 was EMBI Global. For the periods after April 7, 2017 the relevant benchmark is the Composite Benchmark. The composite benchmark returns are a blend made up of 50% JPM EMBI Global and 50% JPM GBI-EM Global Diversified rebalanced on a monthly basis from the inception of the fund.

**On April 10, 2017, the assets of the HSBC Emerging Markets Local Debt Fund were merged into the HSBC Emerging Markets Debt Fund.



Investment products:

ARE NOT A BANK DEPOSIT OR OBLIGATION OF THE BANK OR ANY OF ITS AFFILIATES	ARE NOT FDIC INSURED	ARE NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY	ARE NOT GUARANTEED BY THE BANK OR ANY OF ITS AFFILIATES	MAY LOSE VALUE
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HSBC Emerging Markets Debt Fund

Share Class A and Class I

* The HSBC Emerging Markets Debt Fund defines Quasi-Sovereign companies as those: implicitly or explicitly backed by their geography of domicile's government, or with greater than 50% held by their geography of domicile's government. Note that the Fund's local exposure is subject to margin rules imposed by applicable law which currently preclude the Fund from trading in certain uncleared derivatives. The inability to use these instruments may adversely impact the Fund's performance.

¹ **Yield to Maturity** (YTM) reflects the rate of return an investor could receive if a long-term bond is held until the maturity date. **Average Maturity** is the average length of maturity for fixed income investments in a portfolio. **Duration** is a measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Rising interest rates generally mean falling bond prices, while declining interest rates mean rising bond prices.

² **BRL** Brazilian Real, **COP** Colombian Peso, **IDR** Indonesian Rupiah, **MXN** Mexican Peso, **PLN** Polish Zloty, **RUB** Russian Ruble, **THB** Thai Baht, **USD** United States Dollar, **ZAR** South African Rand.

³ Reflects the expense ratio as reported in the prospectus dated January 31, 2019, as supplemented and restated April 2, 2019. HSBC Global Asset Management (USA) Inc., the Fund's investment adviser has entered into a contractual expense limitation agreement with the Fund under which it will limit total expenses of the Fund (excluding interest, tax, brokerage commissions, extraordinary expenses and estimated indirect expenses attributable to the Fund's investments in investment companies) to an annual rate of: Class A: 0.85%, Class I: 0.50%. The expense limitation agreement is effective until March 1, 2020.

⁴ This yield is based on a 30-day period and is computed by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the period. The SEC 30-day yield reflects a reduction in the Fund's fees. Without the reduction of those fees, the yield would have been: A: 2.16%, I: 2.46%.

Investment Risks:

There is no assurance that a portfolio will achieve its investment objective or will work under all market conditions. The value of investments may go down as well as up and you may not get back the amount originally invested. Portfolios may be subject to certain additional risks, which should be considered carefully along with their investment objectives and fees. Investments in **foreign markets** entail special risks such as currency, political, economic, and market risks. The risks of investing in **emerging markets** geographies are greater than the risks generally associated with foreign investments. **Fixed income securities** are subject to credit and interest rate risk. Credit risk refers to the ability of an issuer to make timely payments of interest and principal. Interest rate risk refers to fluctuations in the value of a fixed income security resulting from changes in the general level of interest rates. In a declining interest rate environment, the portfolio may generate less income. In a rising interest rate environment, bond prices may fall. Investments in **high-yield securities** (commonly referred to as "junk bonds") are often considered speculative investments and have significantly higher credit risk than investment grade securities. The prices of high yield securities, which may be less liquid than higher rated securities, may be more vulnerable to adverse market, economic or political conditions. **Derivatives** may be riskier than other types of investments and could result in losses that significantly exceed the Fund's original investment. **Non-diversified funds** focus investments in a small number of issuers, industries, foreign currencies or particular geographies or regions which increase the risks associated with a single economic, political or regulatory occurrence.

HSBC Global Asset Management is the marketing name for the asset management businesses of HSBC Holdings Plc. HSBC Global Asset Management (USA) Inc. is an investment adviser registered with the US Securities and Exchange Commission. HSBC Global Asset Management (USA) Inc. serves as the investment adviser to the HSBC Funds. Foreside Distribution Services, L.P., member FINRA, is the distributor of the HSBC Funds and is not affiliated with the adviser. HSBC Securities (USA) Inc., member NYSE, FINRA and SIPC, is a sub-distributor of the HSBC Funds. Affiliates of HSBC Global Asset Management (USA) Inc. may receive fees for providing various services to the funds.

The Fund's primary benchmark, the **Composite Benchmark** is comprised of the JP Morgan Emerging Markets Bond Index Global (50%) and the JP Morgan Government Bond Index - Emerging Markets Global Diversified (50%). The **JP Morgan Emerging Markets Bond Index Global** tracks total returns for United States dollar denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds and local market instruments. The **JP Morgan Government Bond Index - Emerging Market Global Diversified** is a comprehensive global emerging markets fixed income index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure. Index returns assume reinvestment of all distributions and do not reflect fees or expenses, or taxes. You cannot invest directly in an index.

The portfolio data are based on records maintained by the Fund's service providers. This data is unaudited, has not been taken from the Fund's official books and records. Care has been taken to ensure the accuracy of the information, however, HSBC Global Asset Management and its affiliates, Foreside Distribution Services and the Fund accept no responsibility for any errors or omissions.

This literature must be preceded or accompanied by an effective prospectus for the HSBC Funds. Investors should consider the investment objectives, risks, charges, and expenses of the investment company carefully before investing. The prospectus contains this and other important information about the investment company. For clients of HSBC Securities (USA) Inc., please call 800-662-3343 opt. 4 for more information. For other investors and prospective investors, please call the Funds directly at 1-800-782-8183 or visit <https://investorfunds.us.hsbc.com>. Investors should read the prospectus carefully before investing or sending money.

Investment products are offered by HSBC Securities (USA) Inc. (HSI), member NYSE/FINRA/SIPC. HSI is an affiliate of HSBC Bank USA, N.A. **Investment products: Are not a deposit or other obligation of the bank or any of its affiliates; Not FDIC insured or insured by any federal government agency of the United States; Not guaranteed by the bank or any of its affiliates; and are subject to investment risk, including possible loss of principal invested.**

All decisions regarding the tax implications of your investment(s) should be made in connection with your independent tax advisor.

US persons (both entities and individuals) are subject to US taxation on their worldwide income and may be subject to tax and other filing obligations with respect to their US and non-US accounts. [The Foreign Account Tax Compliance Act \(FATCA\)](#) is a US law designed to prevent the use of non-US accounts or non-US entities to avoid US taxation of income and assets. To meet this objective, FATCA imposes on US and non-US entities certain documentation, due diligence, withholding and reporting requirements with respect to accounts and certain payments. Investors should consult their independent tax advisors about investment tax implications.