

HSBC Frontier Markets Fund

Share Class A (HSFAX) and Class I (HSFIX)

Fund description and strategy

The Fund seeks long-term capital appreciation by investing primarily in the equity securities of companies in frontier market geographies. The Fund's portfolio management team uses an in-depth stock selection process that combines both qualitative and quantitative inputs, applying a top-down geography approach and a bottom-up stock analysis, with a strong emphasis on the latter. By following a disciplined and fundamental approach to investing, combining top-down and bottom-up elements, the team believes this investment process helps to equally take advantage of opportunities at the geography, sector and company level as they arise.

As of September 30, 2018

Total returns	1 month	3 months	YTD	1 year	3 years	5 years	Since inception
Class A without sales charge	-1.73%	-6.14%	-15.45%	-14.09%	3.12%	2.34%	5.82%
Class A with maximum sales charge (5.00%)	-6.65%	-10.84%	-19.66%	-18.41%	1.38%	1.30%	5.05%
Class I	-1.72%	-6.10%	-15.25%	-13.75%	3.47%	2.69%	6.18%
MSCI Frontier Markets Index	-0.04%	-1.93%	-12.42%	-7.49%	5.70%	3.25%	5.30%
MSCI Select Frontier and Emerging Markets Capped Index*	-1.33%	-0.60%	-6.47%	-1.27%	6.45%	3.02%	5.04%

Calendar Year Total returns	2017	2016	2015	2014	2013	2012
Class A without sales charge	21.20%	8.54%	-10.78%	4.72%	25.69%	23.93%
Class A with max. sales charge (5.00%)	15.11%	3.11%	-15.26%	-0.49%	19.40%	17.79%
Class I	21.60%	8.96%	-10.46%	5.10%	26.08%	24.38%
MSCI Frontier Markets Index	32.32%	3.16%	-14.07%	7.21%	26.32%	9.25%
MSCI Select Frontier and Emerging Markets Capped Index*	22.88%	7.51%	-15.66%	6.04%	17.85%	17.26%

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 September 6, 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, 2018 through March 1, 2020.

Fund characteristics ¹	Fund
Turnover ratio (%)	59.25
Alpha (1 year)	-10.35
Beta (1 year)	1.11
Standard deviation (1 year)	12.91
Number of holdings	51

Sector allocation - GICS ² Classification	%
Financials	39.1
Industrials	12.2
Consumer Discretionary	11.5
Real Estate	9.6
Consumer Staples	7.5
Materials	5.8
Energy	4.5
Health Care	3.1
Telecommunication Services	2.6
Utilities	2.1
Cash equivalents	2.1

Regional weightings	%
Middle East North Africa	44.5
Asia	17.5
Eastern Europe	15.1
Latin America	13.5
Sub-Saharan Africa	7.2
Cash equivalents	2.1

Top 10 geographies	Weight (%)
Egypt	15.1
Kuwait	12.7
United Arab Emirates	12.6
Philippines	8.0
Argentina	7.2
Romania	6.5
Vietnam	5.4
Georgia	4.4
Kazakhstan	4.3
Colombia	4.1

Top 10 holdings	Weight (%)	Currency ⁴
National Bank of Kuwait	5.1	KWD
Human Soft Holding Co Ksc	4.8	KWD
International Container T	3.9	PHP
Banco Davivienda Sa	3.6	COP
Talaat Moustafa Group	3.6	EGP
Agility Public Ware	3.2	KWD
Attijariwafa Bank	3.0	MAD
Nagacorp Ltd.	3.0	HKD
Juhayna Food Industries	2.9	EGP
Centamin Plc	2.9	GBP

Fund details

Total net assets of all Fund classes
\$14.8 M

Portfolio Management

Ramzi Sidani, Lead Portfolio Manager
10+ years industry experience

Expense ratio (gross/net)²

A: 3.89% / 1.85% I: 3.54% / 1.50%

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, geographies and regions shown above. There is no assurance that securities remain in the Fund's portfolio or that securities sold have not been repurchased.

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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* The indicative index is a customized MSCI Frontier Emerging Markets Capped index until end of May 2014 and the customized MSCI Select Frontier and Emerging Markets Capped index thereafter. No calendar year returns are available as this index was created on May 31, 2014.

¹ **Portfolio Turnover** is a measure of trading activity in a fund's portfolio over the past 12 months expressed as a percentage of the fund's average market value of securities. **Alpha** measures a fund's risk/reward potential. A positive alpha means the fund outperformed the index. A negative alpha means the fund under performed the index. **Beta** measures a fund's risk in relation to the market. A beta of 0.8 means the fund's total return is likely to move up or down 80% of the market change; 1.25 means total return is likely to move up or down 25% more than the market. **Standard deviation** is an indicator of the portfolio's total return volatility, which is based on a minimum of 36 monthly returns. The larger the portfolio's standard deviation, the greater the portfolio's volatility. **Number of holdings** reflected excludes cash.

² Reflects the expense ratio as reported in the prospectus dated February 28, 2018, as supplemented. 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: 1.85%, Class I: 1.50%. The expense limitation agreement is effective until March 1, 2020.

³ **GICS**: Global Industry Classification Standard

⁴ **COP** Colombian Peso, **EGP** Egyptian Pound, **GBP** British Pound Sterling, **HKD** Hong Kong Dollar, **KWD** Kuwaiti Dinar, **MAD** Moroccan Dirham, **PHP** Philippine Peso, **USD** United States Dollar.

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. Equity investments fluctuate in value based on changes to an individual company's financial condition and overall market conditions. 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. **Frontier markets geographies** generally have smaller economies and even less developed capital markets or legal and political systems than traditional emerging market geographies. As a result, the risks of investing in emerging market geographies are magnified in frontier market geographies. **Derivatives** may be riskier than other types of investments and could result in losses that significantly exceed the Funds' original investment. The Fund will invest more than 25% of its total assets in securities issued by companies in the financial services group of industries. Accordingly, the Fund will be more susceptible to developments that affect such industries than other funds that do not concentrate their investments. **Exposure to commodities markets**, including investments in companies in commodity-related industries, may subject the Fund to greater volatility than investments in traditional securities. The value of commodity-related investments may be affected by overall market movements and factors specific to a particular industry or commodity.

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. HSBC Global Asset Management (UK) Limited serves as sub adviser to the Fund. Foreside Distribution Services, L.P., member FINRA, is the distributor of the HSBC Funds and is not affiliated with the Advisor. 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. receive fees for providing various services to the funds.

The Fund's primary benchmark, the **MSCI Select Frontier and Emerging Markets Capped Index** has been developed by MSCI for the Adviser and, in terms of geography constituents, includes the 29 geographies that are part of the MSCI Frontier Markets Index classification as well as seven small emerging market "crossover" geographies (namely Colombia, Egypt, Pakistan, Philippines, Peru, Qatar, and United Arab Emirates) that are also included within the MSCI Emerging Markets Index. The **MSCI Select Frontier and Emerging Markets Capped Index** is a free float-adjusted market capitalization index designed to measure equity market performance in the aforementioned geographies. The **MSCI Frontier Markets Index** is an "industry standard" index that captures large- and mid-cap representation across 29 frontier market geographies. The index is a free float-adjusted market capitalization index that is designed to measure equity performance of frontier markets. 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.

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.