

HSBC Asia ex-Japan Smaller Companies Equity Fund

Share Class A (HAJAX) and Class I (HAJIX)

Fund description and strategy

The investment objective of the Fund is long-term capital appreciation. The Fund invests primarily in a diversified portfolio of equities and equity equivalent securities of smaller companies that are economically tied to Asia. The Fund may have exposure to companies from Asian geographies such as China, Hong Kong, India, Indonesia, South Korea, Malaysia, Philippines, Singapore, Taiwan and Thailand, and will exclude Japan.

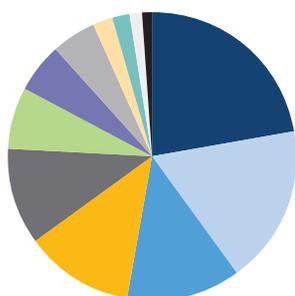
Total returns	As of December 31, 2018					
	1 month	3 months	YTD	1 Year	3 Years	Since inception
Class A without sales charge	-3.49%	-11.82%	-24.05%*	-24.05%*	3.87%	2.05%
Class A with maximum sales charge (5.00%)	-8.34%	-16.26%	-27.83%*	-27.83%*	2.12%	0.79%
Class I	-3.33%	-11.74%	-23.71%*	-23.71%*	4.29%	2.43%
MSCI AC Asia ex Japan Small Cap Index	-1.75%	-8.35%	-18.63%	-18.63%	2.17%	0.15%

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 November 11, 2014. 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 through March 1, 2019.

Fund characteristics ¹	Fund
Turnover ratio (%)	174.68
Number of holdings	111

Sector allocation - GICS² Classification (%)



Consumer Discretionary (22.4%)
Information Technology (17.8%)
Materials (12.7%)
Industrials (12.3%)
Health Care (10.8%)
Financials (7.0%)
Real Estate (5.6%)
Utilities (4.9%)
Energy (2.1%)
Communication Services (2.1%)
Consumer Staples (1.2%)
Cash Equivalents (1.1%)

Top 10 geographies	Weight (%)
China	19.6
India	18.5
Taiwan	18.1
Korea	14.3
Hong Kong	8.9
Indonesia	5.6
Thailand	4.9
Malaysia	4.0
Singapore	3.9
Philippines	1.1

Top 10 holdings	Weight (%)	Currency ³
Sinbon Electronics Co Ltd	2.0	TWD
China Education Group	1.9	HKD
Asia Cement Corp	1.8	TWD
Primax Electronics Ltd	1.7	TWD
Valuetronics Holdings Ltd	1.7	SGD
Cuckoo Homesys Co Ltd	1.7	KRW
Sobha Limited	1.6	INR
China Resources Cement	1.6	HKD
Yageo Corp	1.5	TWD
Shimao Property Holding	1.5	HKD

Fund details

Total net assets of all Fund classes
\$53.4 M

Portfolio Management

Elina Fung
20+ years of investment experience

Alex Kwan
10 years of investment experience

Expense ratio (gross/net)⁴

A: 5.18% / 1.32% I: 4.83% / 0.97%

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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HSBC Asia ex-Japan Smaller Companies Equity Fund

Share Class A and Class I

* The recent depreciation in the stock market has helped to produce short-term returns that are not typical and may not continue in the future. Because of ongoing market volatility, fund performance may be subject to substantial short-term changes.

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. **Number of holdings** reflected excludes cash.

² **GICS**: Global Industry Classification Standard

³ **HKD** Hong Kong Dollar, **INR** Indian Rupee, **KRW** South Korean Won, **SGD** Singapore Dollar, **TWD** Taiwan Dollar.

⁴ Reflects the expense ratio as reported in the prospectus dated February 28, 2018. HSBC Global Asset Management (USA) Inc., the Fund's investment adviser ("Adviser"), has entered into a contractual expense limitation agreement with the Fund ("Expense Limitation Agreement") under which it will limit total expenses of the Fund (excluding interest, taxes, brokerage commissions and extraordinary expenses) to an annual rate of: Class A: 1.25%, Class I: 0.90%. The expense limitation shall be in effect until March 1, 2019.

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. The Fund's performance is expected to be closely tied to the social, political, economic and regulatory developments within Asia and to be more volatile than the performance of a more geographically diversified mutual fund. Moreover, the **economies of geographies in Asia**, including China, differ from the U.S. economy in several ways, including the rate of growth, reliance on a small number of industries or natural resources, rates of inflation, capital reinvestment and balance of payments position. As export-driven economies, the economies of these geographies are affected by developments in the economies of their principal trading partners, including the U.S. Furthermore, flooding, monsoons and other natural disasters also can significantly affect the value of investments. Investments in **foreign markets** entail special risks such as currency, political, economic, and market risks. The risks of investing in **emerging-market** geographies are greater than the risks generally associated with foreign investments. Fluctuations in exchange rates between the U.S. dollar and foreign currencies, or between various **foreign currencies**, may negatively affect the Fund's performance. Investing in **smaller companies** is more risky and volatile than investing in large companies. **Derivatives** may be riskier than other types of investments and could result in losses that significantly exceed the Fund's original investment. The Fund will not invest more than 25% of its total assets in the securities of one or more issuers conducting their principal business activities in the same industry, except that to the extent that an industry represents 20% or more of the Fund's benchmark index at the time of investment, the Fund may invest up to 35% of its assets in that industry. Concentrating Fund investments in a limited number of issuers conducting business in the same industry would subject the Fund to a greater risk of loss as a result of adverse economic, political, regulatory or market conditions affecting that industry than if its investments were not so concentrated.

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 **MSCI AC Asia ex Japan Small Cap Index** is a free float-adjusted market capitalization-weighted small cap index of the stock markets of two developed markets and nine emerging markets, respectively: Hong Kong, Singapore, China, India, Indonesia, Malaysia, Pakistan, the Philippines, Korea, Taiwan and Thailand. Index returns assume reinvestment of all distributions and do not reflect fees or expenses, or taxes. You cannot invest directly in an index.

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.**

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.