

HSBC Global High Income Bond

Fund Overview

Second Quarter 2017

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Class A: HBIAX

Class I: HBIIIX

A multi-sector crossover strategy targeting consistent high income

The fund seeks steady income and attractive risk-adjusted returns by exploiting misunderstood and mispriced US and international corporate debt. Leveraging HSBC's global trading capabilities, the fund aims to capitalize on lesser-known opportunities in three core regional sleeves – US credit, Euro credit and emerging markets (EM) debt. The fund aims to capture high risk-adjusted returns, while adhering strict risk budgets and controls.

We developed a customized benchmark to expand and diversify the investment grade opportunity set globally, while improving the fund's risk return profile and Sharpe ratio.

Seeks global high income with controlled volatility

- 1 Attractive risk/reward profile.** The fund focuses on the potential in the "crossover space" between the investment grade and high yield universes and targets corporate bonds transitioning between BBB and BB ratings and vice versa. We believe these bonds add relatively higher yields, while maintaining an overall higher quality portfolio rating.
- 2 Global diversification using a sleeve structure.** The lead fund manager allocates assets across three regional sleeves (US/EUR/EM). This structure captures different yield, quality, duration and volatility characteristics.
- 3 Research-driven, risk-focused.** The HSBC global credit platform leverages the company's geographic reach and gives the lead fund manager direct access to experienced teams of fund managers and credit research analysts around the world. Identifying, pricing and combining risks is at the core of our investment approach.

Performance drivers

Investment success in the global credit markets relies on strict issuer selection, valuation discipline and risk and liquidity management. Issuer selection is the main driver of performance for the fund, which is guided by the insights of over 40 credit research analysts.

Target sources of excess return	
Issuer selection	50%
Regional selection	15%
Credit allocation	15%
Sector selection (within sleeves)	10%
Duration	10%

This table illustrates the fund's broad target sources of return achieved under normal market conditions with investments in cash, bonds and futures.

Source: HSBC Global Asset Management

¹EM local currency exposure is managed with an internal limit of 10% of the strategy assets.

*As of June 30, 2017.

** Annualized prospectus expense ratio as stated in the February 28, 2017 prospectus.

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

Portfolio Manager



Jerry Samet
Senior Portfolio Manager,
Global High Income
HSBC Global Asset Management
(USA) Inc.

- Joined HSBC in 1996
- 27 years industry experience

As lead fund manager, Mr. Samet directs the top-down allocation to each region and the overall management of key investment decisions and risk. Mr. Samet also manages the US credit sleeve.

Key Fund Characteristics

	Inception	AUM*
Fund	Jul 2015	\$27.5M
Strategy	Jul 2010	\$2.7bn

Expense Ratio**

Class A: 1.17%	Class I: 0.82%
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Benchmark is a customized index that is close to equally weighted across US, Euro and EM markets. Components include: 20% Bloomberg Barclays US Corporate Baa, 15% Bloomberg Barclays US High Yield Ba, 15% Bloomberg Barclays Euro Agg Corporate Baa USD Hedged, 15% Bloomberg Barclays Euro HY BB Rating Only USD Hedged, and 35% Bloomberg Barclays EM USD Aggregate Index

Invests primarily in BBB and BB rated corporate bonds and may invest in securitized debt

Global holdings are managed in 3 regional investment sleeves (US credit/Euro credit/EM)

The fund is USD hedged, with an ability to take up to 10% non-USD exposure¹

HSBC Global Asset Management

Global credit leadership with distinguished team of fund managers with an average of 20+ years of experience

Global structure fosters exchange between fund managers, credit analysts and global research

Fully resourced global credit research platform is the backbone to our highly disciplined investment framework

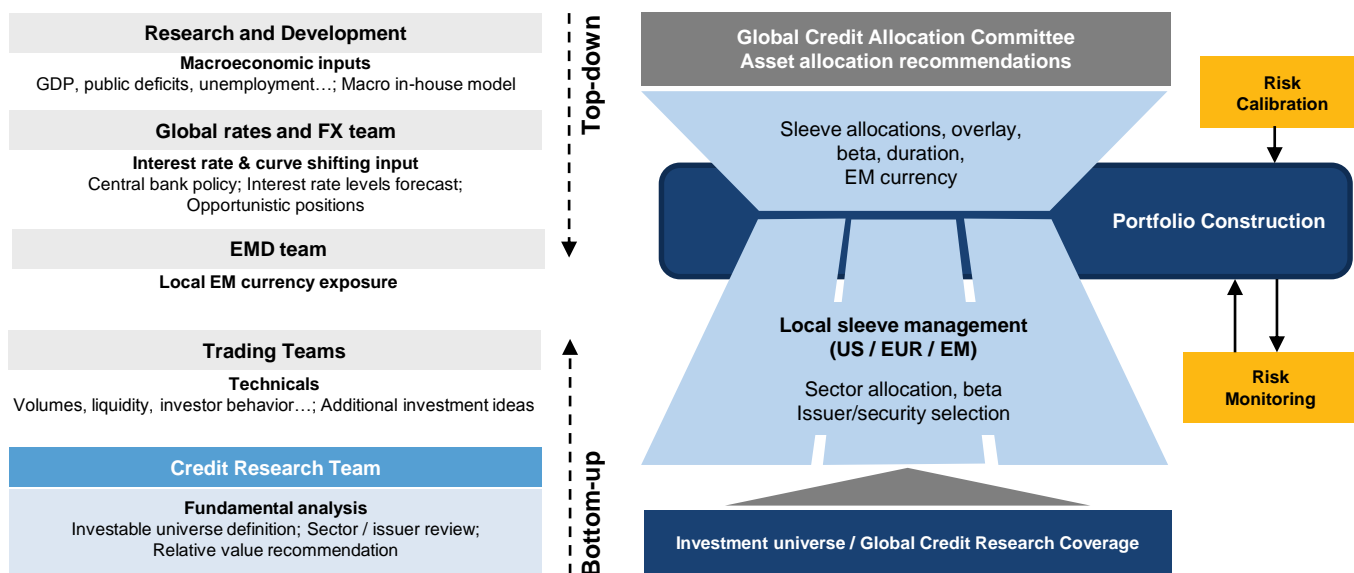
US \$187.7bn in fixed income assets*

HSBC 
Global Asset Management

Portfolio Construction and Implementation

- **Dynamic top-down and bottom-up investment process** integrates the lead fund manager with global teams of analysts and portfolio managers. This structure supports a continuous exchange of investment data and expertise to capture misunderstood global credit opportunities.
- **In-depth research.** Our global research teams provide top-down macroeconomic inputs, interest rate research and forecasting. The fund is further supported by 40+ locally-based credit researchers that provide fundamental, relative value analytics and sector/issuer review.
- **The lead fund manager** spearheads portfolio construction and risk management by leveraging local and global research and insights, tactically allocating assets and managing duration and beta targets.
- **Sleeve management.** Holdings are subdivided into three regional sleeves (US/EUR/EM).

Investment Process



Source: HSBC Global Asset Management

Important Information

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.

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Portfolio characteristics, including position sizes and sector allocations, among others, are generally averages, are only for illustrative purposes, and do not reflect the investments of an actual portfolio unless otherwise noted. The investment guidelines of an actual portfolio may permit or restrict investments that are materially different in size, nature and risk from those shown.

Risk considerations: 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. **Fixed income** is 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 that result from changes in the general level of interest rates. In a declining interest rate environment, a portfolio may generate less income. In a rising interest-rate environment, bond prices fall. **High Yield.** 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 volatile and more vulnerable to adverse market, economic or political conditions. **Foreign and emerging markets.** Investments in foreign markets involve risks such as currency rate fluctuations, potential differences in accounting and taxation policies, as well as possible political, economic, and market risks. These risks are heightened for investments in emerging markets which are also subject to greater illiquidity and volatility than developed foreign markets.

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 1-888-525-5757 for more information. For other investors and prospective investors, please call the Funds directly at 1-800-782-8183 or visit our website at <https://investorfunds.us.hsbc.com/default.fs> Investors should read the prospectus carefully before investing or sending money.

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