

Quarterly Performance Report

HSBC Family of Funds

Class A and I Shares
Data as of December 31, 2018

Fund Name	Emerging Markets Debt Fund		Frontier Markets Fund		Asia ex-Japan Smaller Companies Equity Fund		Global High Income Bond Fund		Global High Yield Bond Fund						
	Class A	Class I	Class A	Class I	Class A	Class I	Class A	Class I	Class A	Class I					
Ticker Symbol	HCGAX	HCGIX	HSFAX	HSFIX	HAJAX	HAJIX	HBIAX	HBIIX	HBAYX	HBYIX					
CUSIP Number	40428X388	40428X370	40428X230	40428X222	44330V720	44330V712	44330V662	44330V654	44330V688	44330V670					
Inception Date	4/7/11	4/7/11	9/6/11	9/6/11	11/11/14	11/11/14	7/14/15	7/14/15	7/14/15	7/14/15					
Total Net Assets of All Fund Classes (subject to change)	\$49,908,387		\$11,108,023		\$53,403,908		\$27,071,500		\$29,412,909						
Expense Ratio ¹ (gross/net)	2.04%/0.85%	1.69%/0.50%	3.89%/1.85%	3.54%/1.50%	5.18%/1.32%	4.83%/0.97%	2.79%/1.16%	2.44%/0.81%	2.66%/1.18%	2.31%/0.83%					
SEC 30-Day Yield ²	4.35%	4.97%	—	—	—	—	3.75%	4.10%	4.79%	5.39%					
Monthly income distribution per share	\$0.0600	\$0.0617	—	—	—	—	\$0.1380	\$0.1401	\$0.1219	\$0.1248					
As of 12/31/18	NAV	POP ³	NAV	NAV	POP ⁴	NAV	NAV	POP ³	NAV	NAV	POP ³	NAV			
Aggregate Total Return															
YTD	-7.40%	-11.80%	-7.12%	-19.51%	-23.52%*	-19.21%	-24.05%*	-27.83%*	-23.71%*	-2.96%	-7.58%	-2.60%	-2.98%	-7.63%	-2.65%
3 Months	-0.06%	-4.82%	-0.03%	-4.80%	-9.58%	-4.67%	-11.82%	-16.26%	-11.74%	-1.60%	-6.27%	-1.44%	-3.54%	-8.11%	-3.45%
Average Annual Total Return															
1 Year	-7.40%	-11.80%	-7.12%	-19.51%	-23.52%*	-19.21%	-24.05%*	-27.83%*	-23.71%*	-2.96%	-7.58%	-2.60%	-2.98%	-7.63%	-2.65%
3 Years	3.54%	1.89%	3.87%	1.93%	0.20%	2.30%	3.87%	2.12%	4.29%	3.70%	2.02%	4.08%	4.84%	3.17%	5.19%
5 Years	3.15%	2.16%	3.50%	-0.21%	-1.23%	0.15%	—	—	—	—	—	—	—	—	—
10 Years	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Since Inception	4.01%	3.36%	4.37%	4.90%	4.16%	5.27%	2.05%	0.79%	2.43%	2.38%	0.95%	2.74%	2.63%	1.20%	3.00%

Past performance is no guarantee of 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 information current to the most recent month end, please call 1-888-936-4722 or visit our website at <https://investorfunds.us.hsbc.com>.

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.

* 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 Reflects the expense ratios as reported in the prospectus dated February 28, 2018. Currently contractual fee waivers are in effect from March 1, 2018 through March 1, 2019 (March 1, 2020 with respect to the Frontier Markets Fund). For additional information, please refer to the Fund's prospectus.

2 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 Yields reflects a reduction in the Fund's fees. Without the reduction of those fees, the yields for Class A would have been 2.77%, 2.15%, and 3.31%, and for Class I would have been 3.15%, 2.32%, and 3.82% for the Emerging Markets Debt Fund, Global High Income Bond Fund, and Global High Yield Bond Fund, respectively. Past performance is no guarantee of future results.

3 Reflects the maximum sales charge of 4.75%.

4 Reflects the maximum sales charge of 5.00%.

5 Aggregate total returns.

For investment risks, Fund descriptions and other important disclosures, please refer to page 2.

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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Fund Description:

Emerging Markets Debt Fund

The Fund seeks to capture select opportunities across the EMD hard currency and local debt segments to achieve superior risk-adjusted returns. The two segments can react differently to shifts in the market. By having exposure to both, the fund can position itself to benefit from different drivers of performance in various environments. The fund provides diversification and flexibility using a benchmark of 50% JP Morgan Emerging Markets Bond Index Global, and 50% JP Morgan GBI-EM Global Diversified Index, for a calculated blend of hard and local debt universes.

Frontier Markets Fund

The Fund seeks long-term capital appreciation by investing primarily in the equity securities of companies in frontier market countries. The Fund's portfolio management team uses an in-depth stock selection process that combines both qualitative and quantitative inputs, applying a top-down country 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 exploit opportunities at the country, sector and company level as they arise.

Asia ex-Japan Smaller Companies Equity Fund

The Fund seeks long-term capital appreciation by investing primarily in 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 countries such as China, Hong Kong, India, Indonesia, South Korea, Malaysia, Philippines, Singapore, Taiwan and Thailand, and will exclude Japan.

Global High Income Bond Fund

This actively managed Fund focuses on generating attractive risk-adjusted returns and steady income by investing in a well-diversified portfolio consisting of three core regional sleeves: US credit, Euro credit and emerging markets (EM). The Fund invests primarily in BBB and BB rated corporate bonds and may invest in securitized debt. 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.

Global High Yield Bond Fund

This actively managed Fund aims to maximize total return through specialized credit selection and top-down strategic positioning. With a portfolio of 200+ non-investment grade bonds, the Fund offers exposure to a broad range of sectors in global credit markets. At least 80% of net assets are invested in a globally diversified portfolio of high yield securities in the US, Europe and emerging markets. The Fund invests predominantly in BB and B rated corporate bonds with the flexibility to invest in investment grade or CCC rated bonds opportunistically.

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. **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. 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. 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. **Frontier markets** generally have smaller economies or less developed capital markets than traditional emerging markets, and therefore investing in frontier markets can magnify the risks of investing in emerging markets. **Derivatives** can be illiquid, may disproportionately increase losses and may have a potentially large negative impact on performance. **Non-diversification** occurs when portfolio assets are invested in fewer securities, industries, currencies or countries than in diversified investment portfolios. Non-diversification increases risk because each investment has a greater effect on portfolio performance and can also be affected by single economic, political or regulatory occurrences. **Geographic concentration** occurs when a portfolio concentrates its investments in one country or region. Portfolio performance is expected to be closely tied to the social, political, and economic conditions in that country or region, and may therefore be more volatile than the performance of more geographically diversified funds. Exposure to **commodities markets**, including investments in companies in commodity-related industries, may subject a 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.

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