Protected Growth Strategies

HSBC Webinar Series

HSBC

Important Notice

These materials are deemed to be institutional communications within the meaning of FINRA Rule 2210 and as such may not be distributed to any retail investors.

Our Current Market

Increased volatility, rising rate concerns, geopolitical events…

Are your clients:

- Concerned about today's turbulent market environment?
- Seeking protection against potential market downturns?
- Cautious of remaining invested…but don't want to miss a move higher?

Protected Growth – the HSBC Solution

Introducing HSBC Protected Growth Investments: Buffered Notes

- Exposure to upside gains in the market
- A defined measure of downside protection, or “Buffer”
- Help **Manage Risk** & **Stay Invested**

Buffered Market-Linked Notes
The Time Might Be Right To Consider Them Now

- Bear & bull markets
- Challenging to predict trends
- “Buffer,” or protect, against a market decline

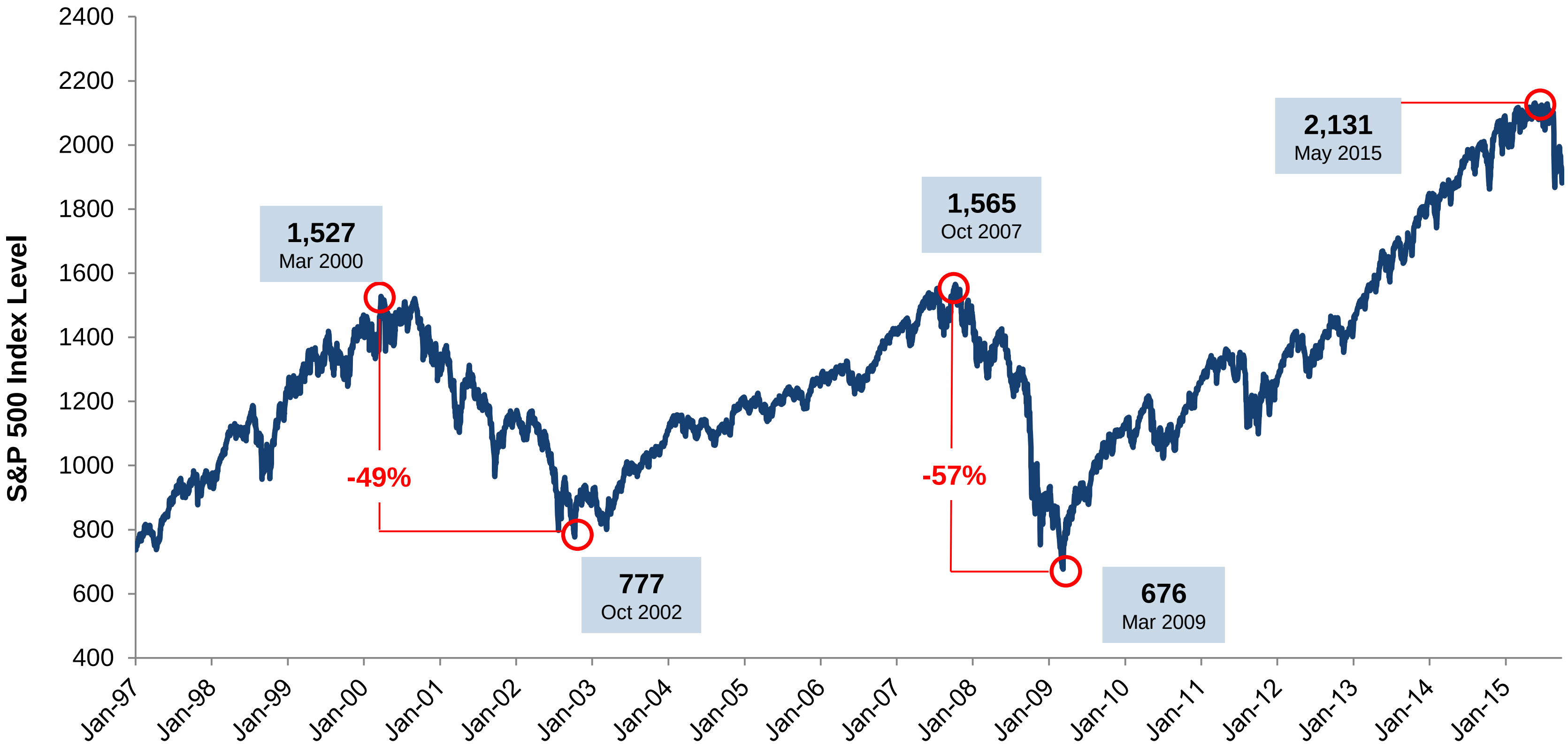


Chart Source: Bloomberg L.P. (9/28/2015)

What Are Buffered Notes?

- 2 to 5 year investments issued and backed by HSBC
  - Credit Rating: A2 / A (Moody's / S&P)*
- Return at maturity based on the performance of the underlying asset**
- Downside cushion
- Typically linked to familiar broad-based equity indices & ETFs
  - S&P 500
  - Russell 2000
  - Euro Stoxx 50

* Credit rating as of October 2015
** Subject to credit issuer risk

Who Might Be Interested?

- Clients who want equity exposure but are worried about timing the market
- Equity investors who seek downside protection
- Opportunistic clients looking for tactical market opportunities and enhanced participation

The Two Types of Buffered Notes

Buffered *Uncapped* Market Participation Securities

Buffered Uncapped Market Participation Securities Linked to the S&P 500® Index

Overview

The securities are designed for investors who believe the Reference Asset will appreciate over the term of the securities. If the Reference Asset appreciates, investors will realize 100% (1.0x) of such appreciation over the term of the securities multiplied by the Upside Participation Rate. If the Reference Return declines below the Buffer Level, then investors will lose 1% of their investment for every 1% decline in the Reference Asset beyond the Buffer of -15%. In such case, investors may lose up to 85% of their investment.

All payments on the securities are subject to the credit risk of HSBC USA Inc. Certain key terms used in this offering summary are defined in the accompanying free writing prospectus.

Preliminary Terms

Issuer	HSBC
Principal Amount	$1,000 per security
Reference Asset	The S&P 500® Index ("SPX")
Trade Date/ Pricing Date	July 28, 2015
Term	3 years
Maturity Date	[Need]
Upside Participation Rate	100%
Reference Return	The quotient, expressed as a percentage, calculated as follows: Final Level – Initial Level / Initial Level
Return at Maturity	If the Reference Return is greater than zero, you will receive a return on the Maturity Date equal to the product of: (a) Reference Return; and (b) Upside Participation Rate. If the Reference Return is less than or equal to zero but greater than or equal to the Buffer Level, you will receive zero return. If the Reference Return is less than the Buffer Level, you will receive a return on the Maturity Date, calculated as follows: Reference Return + the Buffer Level
Buffer Level	-15%
CUSIP	40433XXXX

Hypothetical Reference Return Scenarios at Maturity

Scenarios	Reference Asset Return	Participation in Reference Return	Securities Return
1 Reference Asset performance is positive; Reference Return matches the return of the Reference Asset	5% 25%	1-for-1 uncapped upside participation in the performance of the Reference Asset	5% 25%
2 Reference Asset performance is negative but does not exceed the Buffer Level; the return on the securities is zero	-5% -20%	Buffer Level of [ ]% applies	0% 0%
3 Reference Asset performance is negative and exceeds the Buffer Level; investment loss is reduced by the Buffer Level	-25% -40%	1-for-1 loss beyond Buffer Level	-5% -20%

HSBC

Buffered *Accelerated* Market Participation Securities

Buffered Accelerated Market Participation Securities Linked to the S&P 500® Index

Overview

The securities are designed for investors who believe the Reference Asset will appreciate over the term of the securities. If the Reference Asset appreciates, investors will realize 200% (2.0x) of such appreciation over the term of the securities (subject to a Maximum Cap). If the Reference Return declines below the Buffer Level, then investors will lose 1% of their investment for every 1% decline in the Reference Asset beyond the Buffer of -10%. In such case, investors may lose up to 90% of their investment.

All payments on the securities are subject to the credit risk of HSBC USA Inc. Certain key terms used in this offering summary are defined in the accompanying free writing prospectus.

Preliminary Terms

Issuer	HSBC USA Inc.
Principal Amount	$1,000 per security
Reference Asset	The S&P 500® Index ("SPX")
Trade Date/ Pricing Date	September 25, 2015
Term	2.5 years
Maturity Date	April 2, 2018
Upside Participation Rate	200%
Maximum Cap	At least 16.50%
Reference Return	The quotient, expressed as a percentage, calculated as follows: Final Level – Initial Level / Initial Level
Return at Maturity	If the Reference Return is greater than zero, you will receive a return on the Maturity Date equal to the lesser of: a) Reference Return × Upside Participation Rate; and b) Maximum Cap. If the Reference Return is less than or equal to zero but greater than or equal to the Buffer Level, you will receive zero return. If the Reference Return is less than the Buffer Level, you will receive a return on the Maturity Date, calculated as follows: Reference Return + the Buffer Level.
Buffer Level	-10%
CUSIP	40433B7E2

Hypothetical Reference Return Scenarios at Maturity

Reference Return Scenarios (per the diagram above)

Scenarios	Reference Asset Return	Participation in Reference Return	Securities Return
1 Reference Asset performance times the Upside Participation Rate is positive and greater than the Maximum Cap; Reference Return is capped	20.00% 8.25%	2x upside exposure, subject to Maximum Cap	16.50% 16.50%
2 Reference Asset performance times the Upside Participation Rate is positive but less than the Maximum Cap; Reference Return equals the return of the Reference Asset times the Upside Participation Rate	3.00% 2.00%	2x upside exposure	6.00% 4.00%
3 Reference Asset performance is negative but does not exceed the Buffer Level; the return on the securities is zero	-5.00% -10.00%	Buffer Level of -10% applies	0.00% 0.00%

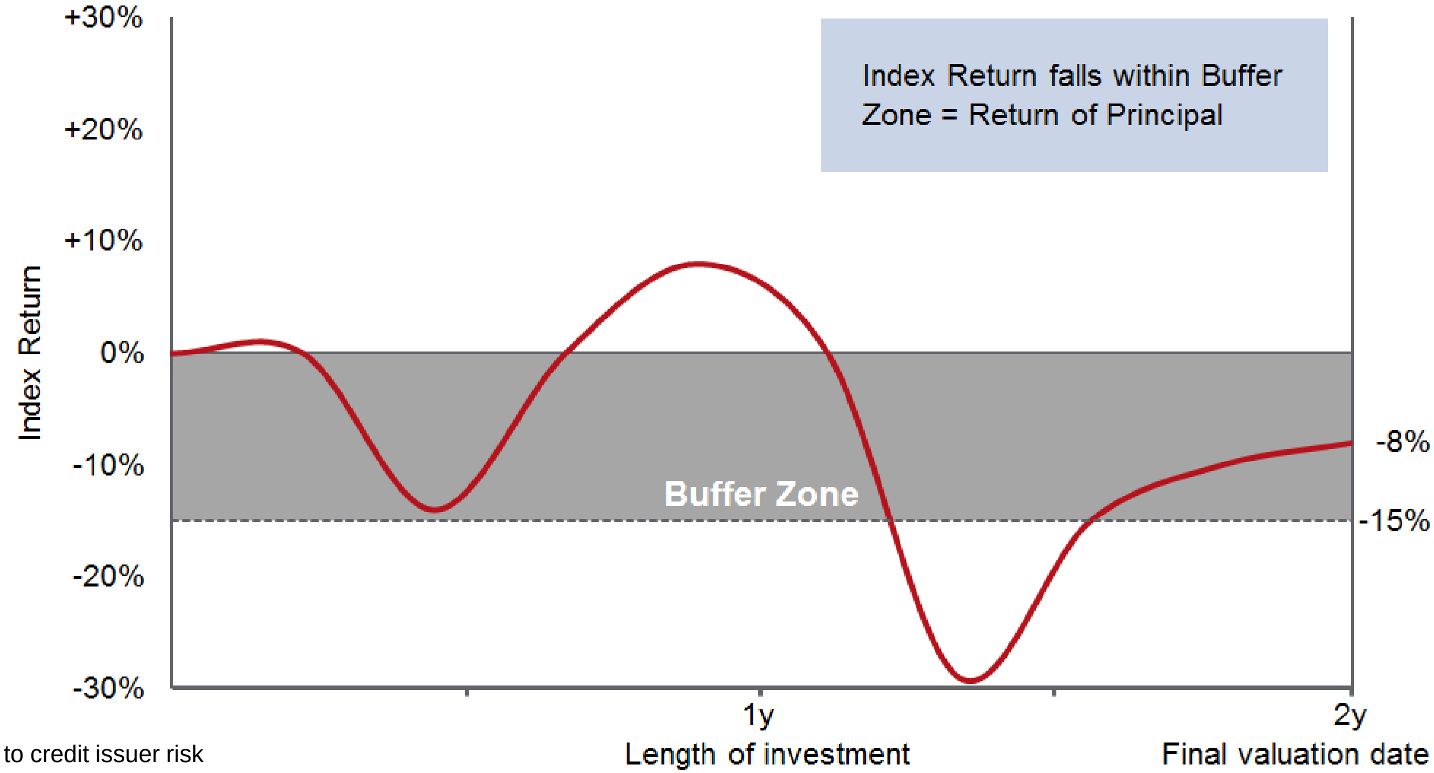
HSBC

How Do Buffered Notes Work? Downside

Scenario I:

The price of the underlying index declines by an amount **less** than the buffered level:

- Buffer feature absorbs the loss
- Investors receive full principal back at maturity*



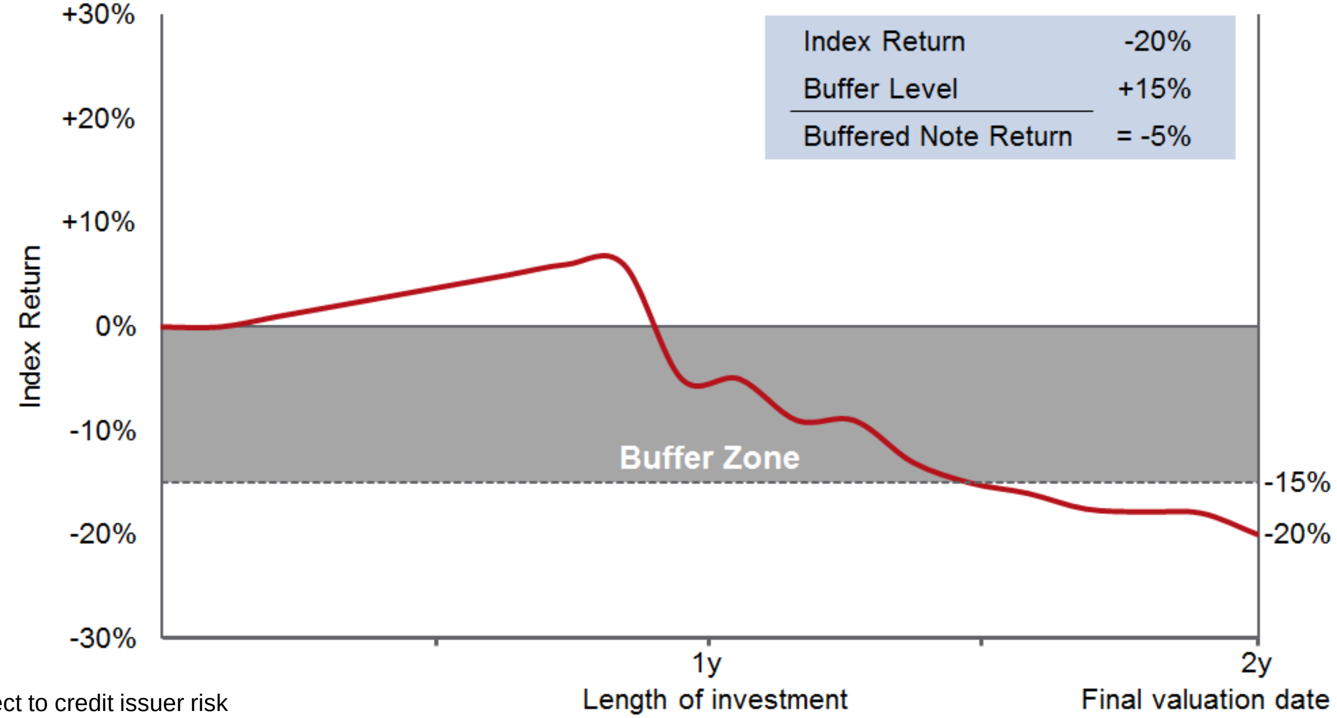
* Subject to credit issuer risk

How Do Buffered Notes Work? Downside

Scenario II:

The price of the underlying index declines by an amount **more** than the buffered level:

- Investors lose 1% for each % **below** the buffer
- For example: if the underlying index drops 20% and the buffer level is 15%, investors will be down 5%*

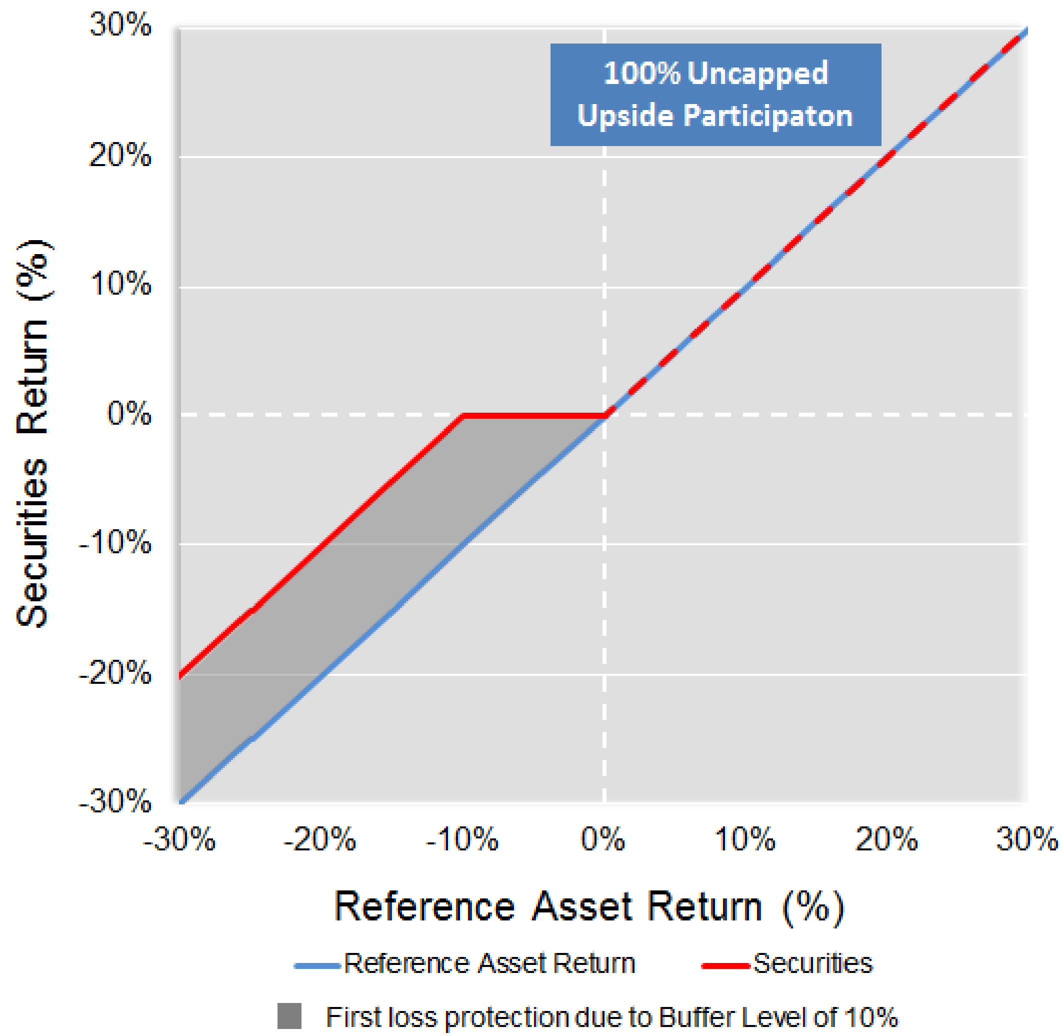


* Subject to credit issuer risk

Buffered Uncapped Notes Payout

What happens when the underlying asset finishes **UP**?

- 100% participation of the underlying price return with unlimited upside potential*



- Subject to credit issuer risk

This example is for illustration purposes only.

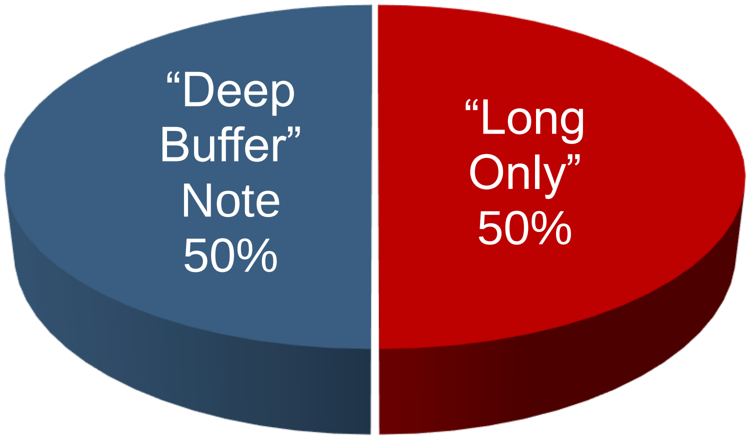
Protected Growth in Portfolios: Buffered Uncapped

Portfolio Return Scenario Analysis*

Limiting downside exposure to Large Cap Equity using a Deep Buffer Note

Buffered Uncapped

- Full upside on price return
- 20% deep buffer
- 4-year maturity



Large Cap Equity ETF / Index Fund

- Assume 2% dividend yield
- Full upside / full downside

At Maturity…	Buffer Note Return	ETF Total Return * *	Portfolio Return
Benchmark = +30%	+30%	+38%	34%
Benchmark = -15%	0%	-7%	-3.5%
Benchmark = -30%	-10%	-22%	-16%

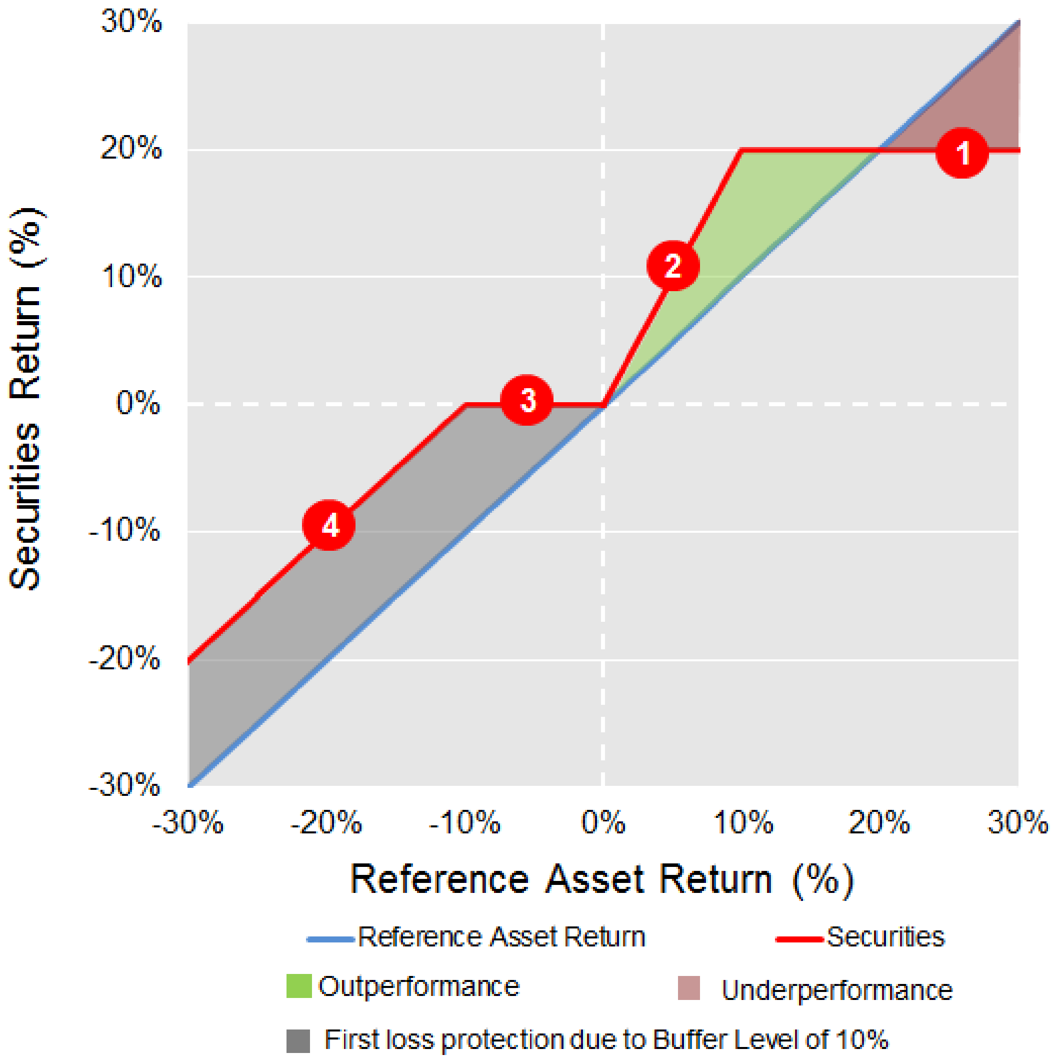
* For illustrative purposes only. Not an investment recommendation. Subject to credit issuer risk

** Total return assumes a 2% p.a. dividend

Buffered Accelerated Notes Payout

What happens when the underlying asset finishes **UP**?

- Accelerated return of [150-200]% to a maximum return level
- Shorter-dated, tactical approach



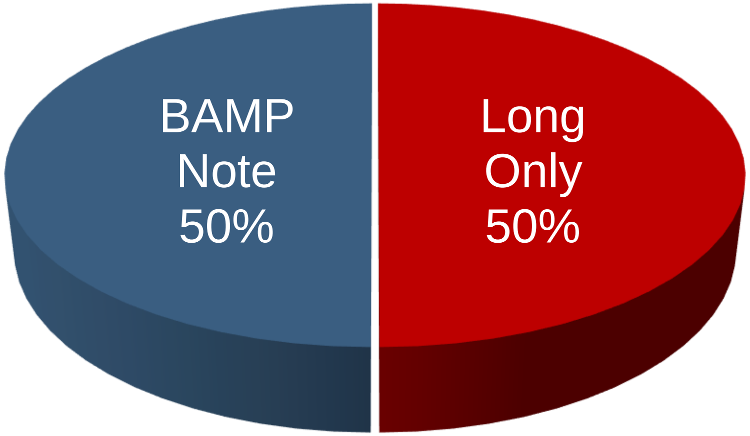
This example is for illustration purposes only. Actual issuances of Buffered AMPS may have different terms, including a lower upside participation rate or maximum return, resulting in different payout characteristics. Any payment at maturity is subject to the credit of HSBC USA Inc. Subject to credit issuer risk.

Protected Growth in Portfolios: Buffered Accelerated

Portfolio Return Scenario Analysis*
Limiting downside exposure to Large Cap Equity using a Buffered Accelerated Market Participation Note (BAMP)

Buffered Accelerated

- Upside participation: 200%
- Max return: 20%
- Buffer: 10%
- 2-year maturity



Large Cap Equity ETF / Index Fund

- Assume 2% dividend yield
- Full upside / full downside

At Maturity…	BAMP Return	ETF Total Return **	Portfolio Return
Benchmark = +25%	+20%	+29%	24.5%
Benchmark = +10%	+20%	+14%	17%
Benchmark = -15%	-5%	-11%	-8%

* For illustrative purposes only. Not an investment recommendation
** Total return assumes a 2% p.a. dividend

Considerations

- Buffered notes don’t offer dividends; direct investment in the underlying index might
- **Buy-and-hold** investments of tenors from 2-5 years
- Exposure to the credit risk of HSBC

The Protected Growth Solution

- Track or potentially outperform the price return of the underlying equity index

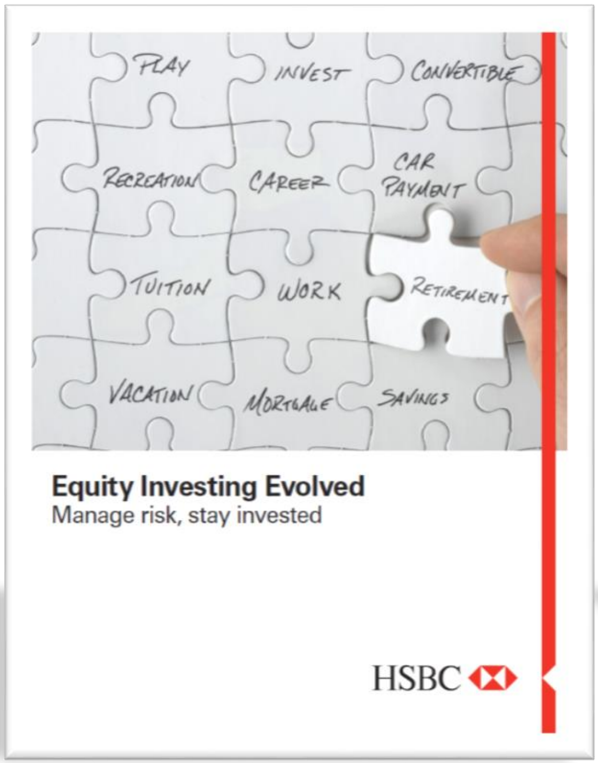
- Add a measure of protection to mitigate downside swings

- Help your clients to **manage risk** and **stay invested**

Brochures & Materials

Approved for Client Distribution

Buffered Notes Brochure

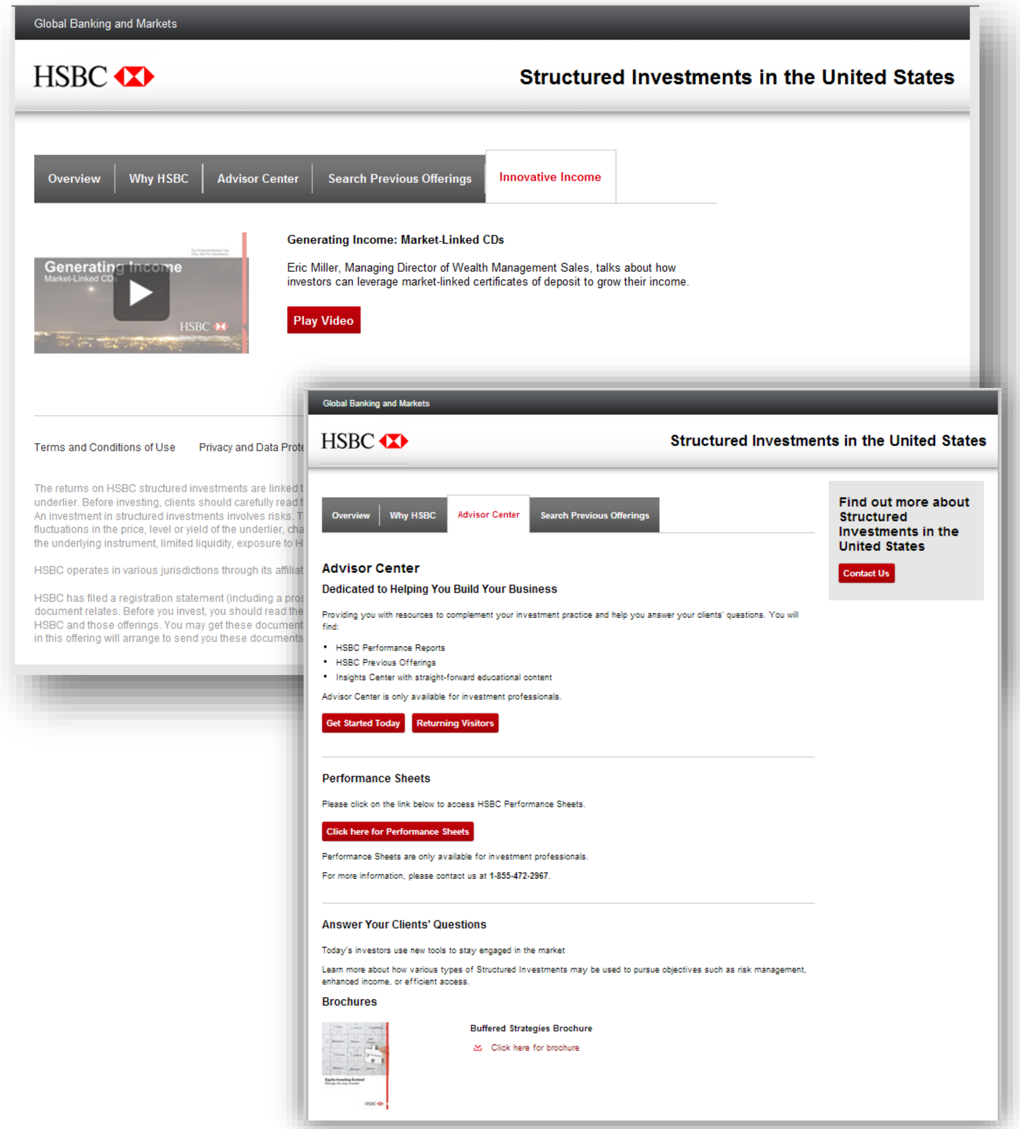


HSBC: The Right Bank

Approved for Client Distribution

Advisor Tools and HSBC's Public Website
hsbcnet.com/uswealth

- Web Videos & Webinars
- Deal Document Library
- Client-Approved Brochures
- Access to Our Advisor Center
- Performance Summaries



HSBC Protected Growth Solutions

Thank You & Questions

Important Considerations and Disclaimers

- The return on most market-linked solutions (and in some cases the principal as well) is contingent on the performance of the reference asset and subject to variation. Market-linked products may pay more or less than a direct investment in the reference asset.
- There may not be an active secondary market for the market linked solutions.
- Tax treatment of structured products varies by product type and tax jurisdiction; investors should consult their tax advisor prior to investing.
- Some market linked solutions do not pay current income.
- Counterparty risk applies. Client should be comfortable with the credit risk of the issuer.
- Interim market values of the structured product may not reflect the full performance of the reference asset. Value will depend on other factors such as volatility, term structure of rates, time to maturity, etc.
- Investors must consider the tax implications of market-linked investments before investing

DISCLAIMER

The information presented herein is provided for informational and discussion purposes only and may be amended, superseded or replaced in its entirety at any time. Provision of this information does not constitute an offer to buy or sell (or a solicitation of an offer to buy or sell) any financial product. Any such offer may only be made by the prospectus or similar offering document prepared by the issuer and which will contain important information for one to consider prior to making an investment decision. The information herein is to be read only by persons having such knowledge and experience in financial and business matters as to be capable of evaluating the contents hereof. The information contained herein is not, and should not be construed as, investment advice. In no case does any HSBC entity provide financial, legal, tax or accounting advice in connection with the products listed herein. This information is intended solely for the party to whom HSBC has sent it and may not be reproduced or distributed without the prior written consent of HSBC.

These materials are deemed to be institutional communications within the meaning of FINRA Rule 2210 and as such may not be distributed to any retail investors.