

Fund Highlights

- ▶ This fund aims to capture rapid growth in emerging markets by investing in emerging market bonds within a rigorously applied risk management framework
- ▶ It is managed by an experienced team who have been successfully managing emerging market debt using a focused and disciplined (yet flexible) investment process for over two decades
- ▶ It is managed on an active fundamental basis by a small group of decision makers who are backed by over 200 emerging markets investment professionals located in 14 countries

Investment Aim

The sub-fund invests primarily for total return through a diversified portfolio of Investment Grade and Non-Investment Grade rated fixed income (e.g. bonds) and other similar securities either issued by companies which have their registered office in Emerging Markets around the world, primarily denominated in US dollars, or which are issued or guaranteed by governments, government agencies and supranational bodies of Emerging Markets. Please refer to the Prospectus for the full Investment Objective of this fund.

Risk Disclosure

It is important to remember that the value of investments can go down as well as up and you may not get back the amount originally invested. Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in established markets. The value of the underlying assets is strongly affected by interest rate fluctuations and by changes in the credit ratings of the underlying issuer of the assets. The sub-fund can invest in sub investment grade bonds, which may produce a higher level of income than investment grade bonds, but carry increased risk of default on repayment. For a full list of risks, please refer to the prospectus and Key Investor Information Document.

Fund Statistics (30/12/2011)

Fund size in millions (USD)	1,712.87
Portfolio Turnover *	N/A
Volatility **	8.14 %
Tracking Error **	3.27 %
Information Ratio **	0.17

'Volatility' measures the relative rate at which the price of a security moves up and down.

'Tracking error' measures the volatility of the difference between a portfolio's performance and the benchmark.

'Information ratio' represents the value added of the manager (excess return) divided by the tracking error

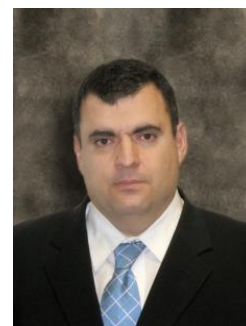
* Source: HSBC, calculation uses the lesser of sales and purchases over the past year.

** Source: HSBC, based on monthly returns over the past three years where available.

Fund Manager - Guillermo Osses

Managing Director, Head of Emerging Markets Debt Portfolios

Before joining HSBC in 2011, Mr. Osses was an emerging markets fixed income portfolio manager at PIMCO. Previously he held emerging markets positions at Barclays Capital and Deutsche Bank. He has 14 years of investment experience, holds an MBA from the MIT Sloan School of Management and a BA from Universidad Catolica de Cordoba.



Performance in USD (% Change) *

Rolling time period	31/12/2010 - 31/12/2011	31/12/2009 - 31/12/2010	31/12/2008 - 31/12/2009	31/12/2007 - 31/12/2008	31/12/2006 - 31/12/2007
HSBC GIF GLOBAL EMERGING MARKETS BOND	6.9	12.2	31.6	-11.9	4.9

Rolling time period	1 month	3 months	6 months	1 year	3 years	5 years	2011	2010	2009	2008
Fund	1.3	5.5	2.0	6.9	57.8	45.8	6.9	12.2	31.6	-11.9
Morningstar mean	0.7	3.8	-1.9	2.3	48.2	30.0	2.3	11.1	30.5	-18.6
Benchmark	1.2	5.1	3.2	8.6	55.8	47.5	8.6	11.9	28.2	-10.9
Quartile rank	2	1	1	1	2	1	1	2	2	2

* The above performance figures refer to the past and are not a reliable indicator of future returns. The value of investments and any income from them, can go down as well as up. The above performance figures are calculated in USD, and changes in the rate of currency exchange may affect the value of your investment.

Source: Morningstar, bid to bid, gross income reinvested. Performance information is up to 30/12/2011. Morningstar Sector used Offshore and International Funds, Global Emerging Markets Bond. With effect from 05 November 2010, the Morningstar sector changed from FI Global Emerging Markets to Global Emerging Markets Bond. Any performance shown after this date will be for the new sector. Benchmark source: JP Morgan. Prior to 31/12/99 the benchmark was the JPM EMBI+. Please note quartile rank is a term widely used in financial services to denote performance of a fund within its sector. For example a ranking of 1 denotes a Fund in the top 25% of its peer group sector, with a ranking of 4 denoting a fund in the bottom 25% of its peer group sector. Total return, sector median performance and ranks - Data Source - © Copyright 2010 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

MUTUAL FUNDS DO NOT HAVE A GUARANTEED RETURN AND PREVIOUS PERFORMANCE DOES NOT GUARANTEE FUTURE PERFORMANCE

Fund details

- ▶ **Annual charge** 1.25%
- ▶ **Maximum initial charge** 5.54%
- ▶ **Dealing** daily by 10:00am (CET)
- ▶ **Valuation** daily at 5:00pm (CET)
- ▶ **Minimum initial investment** (USD) 5,000 *
- ▶ **Financial year end** 31st March
- ▶ **Benchmark** J.P.Morgan Emerging Markets Bond Index Global
- ▶ **Management Company** HSBC Investment Funds (Luxembourg) S.A.
- ▶ **Investment Advisor** HSBC Global Asset Management (USA) Inc.
- ▶ **Dividends** annual (July)
- ▶ **Regular savings scheme** not available
- ▶ **Start date** 24/07/1998 ^
- ▶ **Launch price** (in USD) 10
- ▶ **ISIN code** LU0566116223
- ▶ **Total number of holdings** 255

* or equivalent. ^ Prior to 25/11/02 the fund was called Global Emerging Markets Fixed Income.

Top 10 holdings (30/12/2011)

Stock	Weight	Currency
1 Russia 5 03/31/30	6.75%	USD
2 TURKEY REP NT 5.625% DUE 03-30-2	2.61%	USD
3 UNITED MEXICAN STATES TRANCHE #	2.51%	USD
4 ARGENTINA(REP OF) 8.28%-VAR 31/1	2.51%	USD
5 PETROLEOS DE VENEZUELA S 8.5%	2.43%	USD
6 US TREAS NTS DTD 00363 2.125 DUE	2.23%	USD
7 UNITED MEXICAN STATES 5.625%	2.02%	USD
8 UNITED STATES TREAS NTS 2 DUE	1.78%	USD
9 INDONESIA(REP OF) 6.875% BDS 01/	1.54%	USD
10 INDONESIA(REP OF) 7.25% BDS 20/4	1.40%	USD
	25.78%	

Portfolio composition (30/12/2011)

Region	Fund	Benchmark
Latin America	42.81%	44.99%
Eastern Europe	16.20%	19.50%
Asia/Pacific ex Japan	16.09%	20.01%
Middle East	10.31%	11.63%
North America	5.94%	0.00%
Others	4.95%	3.89%
Cash	3.71%	0.00%
	100.00%	100.00%

Contact

Further information about HSBC Global Asset Management, details of our individual funds performance and prices can be found at www.assetmanagement.hsbc.com

GIF helpdesk +44 (0) 207 992 4172 or email us at gifadviser.services@hsbc.com

Alternatively, contact your local sales and client services representatives.

To place a deal, please contact:

Luxembourg RBC Dexia Investors Services Bank S.A. Tel: +352 2605 9553 Fax: +352 2460 9500

There are risks involved with this type of investment. Please refer to the Prospectus for general risk factors, and to the Key Investor Information Document for specific risk factors. It is important to remember that your investment is not guaranteed and you may not get back the amount you originally invested. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in established markets. The value of the underlying assets are strongly affected by interest rate fluctuations and by changes in the credit ratings of the underlying issuer of the assets. The sub-fund can invest in sub investment grade bonds, which may produce a higher level of income than investment grade bonds, but carry increased risk of default on repayment. Investment in Financial Derivative Instruments (FDI) may result in losses in excess of the amount invested. This is because a small movement in the price of the underlying financial instrument may result in a substantial movement in the price of the FDI. You should view this investment as medium to long-term, and should plan to keep it for at least five years. UK based investors in HSBC Global Investment Funds are advised that they may not be afforded some of the protections conveyed by the provisions of the Financial Services and Markets Act 2000. The Representative of the Fund in Switzerland is HSBC Private Bank (Suisse) SA in Geneva. The shares in HSBC Global Investment Funds have not been and will not be offered for sale or sold in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to United States Persons. All applications are made on the basis of the current HSBC Global Investment Funds Prospectus, Key Investor Information Document and most recent annual and semi-annual reports, which can be obtained upon request free of charge from HSBC Global Asset Management (UK) Limited, 8 Canada Square, Canary Wharf, London, E14 5HQ. UK, or the local distributors.

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