

HSBC Global Asset Management (USA) Inc.

HSBC Funds

Semi-Annual Report

April 30, 2018

MONEY MARKET FUNDS	Class A	Class C	Class D	Class E	Class I	Intermediary Class	Intermediary Service Class	Class Y
HSBC U.S. Government Money Market Fund	FTRXX	HUMXX	HGDXX	HGEXX	HGIXX	HGGXX	HGFXX	RGYXX
HSBC U.S. Treasury Money Market Fund	HWAXX	HUCXX	HTDXX	HTEXX	HBIXX	HTGXX	HTFXX	HTYXX

HSBC Family of Funds

Semi-Annual Report - April 30, 2018 (Unaudited)

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Bloomberg Barclays U.S. Aggregate Bond Index is an unmanaged market value-weighted performance benchmark for investment-grade fixed rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of at least one year.

Gross Domestic Product (“GDP”) is the value of goods and services produced in a given country in a given year.

Lipper U.S. Government Money Market Funds Average is an equally weighted average of mutual funds that invest principally in financial instruments issued or guaranteed by the U.S. government, its agencies, or its instrumentalities, with dollar-weighted average maturities of less than 90 days. These funds intend to keep a constant net asset value.

Lipper U.S. Treasury Money Market Funds Average is an equally weighted average of mutual funds that invest principally in U.S. Treasury obligations with dollar-weighted average maturities of less than 90 days. These funds intend to keep a constant net asset value.

London Interbank Offered Rate (LIBOR) is a daily reference rate based on the interest rates at which banks borrow unsecured funds from other banks in the London wholesale money market.

MSCI Europe Australasia and Far East (“MSCI EAFE”) Index is an equity index which captures the large- and mid-cap representation across the following developed markets countries: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK.

MSCI Emerging Markets (“MSCI EM”) Index is an index that captures the large- and mid-cap representation across 24 emerging markets countries: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

Russell 2000® Index is an index that measures the performance of approximately 2,000 small-cap companies in the Russell 3000® Index, which is made up of 3,000 of the biggest U.S. stocks. The Russell 2000 serves as a benchmark for small-cap stocks in the U.S.

Standard & Poor’s 500 (“S&P 500”) Index is an index that is widely regarded as a gauge of the U.S. equities market. This index includes 500 leading companies in leading industries of the U.S. economy. The S&P 500 Index focuses on the large-cap segment of the market, with approximately 80% coverage of U.S. equities.

Lipper is an independent mutual fund performance monitor whose results are based on total return and do not reflect a sales charge.

Securities indices are unmanaged and assume reinvestment of all distributions and interest payments and do not take in account brokerage fees or expenses. Securities in the Funds do not match those in the indices and performance of the Funds will differ. Investors cannot invest directly in an index.

HSBC Global Asset Management (USA) Inc.

Global Economic Review

A prolonged period of synchronized global economic expansion continued through the six-month period between November 1, 2017 and April 30, 2018, even as equity markets transitioned into a more volatile phase in early 2018. Economic growth in some major economies showed signs of slowing, but overall the fundamentals of the global economy remained relatively healthy across a broad range of sectors and regions. Robust activity in manufacturing and global trade continued to be primary drivers of global economic expansion.

Equity markets soared during the first few months of the period, prolonging a year of steady gains. Volatility in stocks returned in February with an abrupt correction and subsequent swings up and down. By the end of the period, the S&P 500 Index¹ gave back many of its early gains, ending the period slightly higher—but down 7% from its January highs. Most other major market indices in developed markets also ended the period slightly higher after an up and down start to 2018.

The beginning of the period was marked by strong corporate fundamentals, low inflation and supportive monetary policy. In the U.S., regulatory rollbacks, positive earnings growth and passage of business-friendly tax reform legislation stirred optimism among investors, eventually driving stocks to record highs in an intense January rally.

However, developments during the final months of the period led stocks to swing abruptly in the opposite direction. One factor that caused the sharp pullback was increasing concerns over global trade protectionism following President Trump's announcements of tariffs on imports. Geopolitical uncertainties surrounding North Korea and Iran, softening economic growth in Europe and Japan and regulatory concerns about major technology companies also fueled market volatility and led stocks lower in February and March.

U.S. economic growth picked up slightly during the period. Economic data in the U.S. continued to indicate solid fundamentals. Rising household wealth stimulated strong consumer spending and higher consumer confidence. Business investment showed signs of improving after two years of disappointing growth and strong global growth continued to boost U.S. exports. Data on housing starts and sales showed relatively strong activity despite concerns that rising interest rates could dampen the market.

U.S. gross domestic product (GDP¹) grew at a rate of 2.9% in the fourth quarter of 2017. A preliminary estimate puts GDP growth at 2.3% for the first quarter of 2018.

Most economists agreed that the U.S. labor market reached full employment, meaning that nearly all individuals able and willing to work were employed. The unemployment rate dropped to 3.9% during the last month of the period, reaching its lowest level since 2000. Wages trended higher, though the rate of growth remains sluggish.

Tax reform legislation signed into law by President Trump in December may drive U.S. economic growth and boost corporate profits. However, the magnitude of the legislation's positive impact on economic growth was limited as it was passed in the relatively late stages of the current business cycle. Nevertheless, investors were encouraged by the prospect that lower taxes and access to offshore cash could create opportunities for companies to pursue stock buybacks, pay dividends or engage in mergers and acquisitions.

The eurozone experienced a modest slowdown in economic activity late in the period after strong growth in 2017. This can be attributed in part to political and economic developments, including chaotic general elections in Italy, lingering tensions in Spain over Catalan independence and Brexit-related uncertainties. Exports and industrial production were also both fairly weak, particularly in Germany. Labor markets in the eurozone continued to improve, with unemployment hitting a 10-year low during the last month of the period under review.

The Japanese economy experienced its first quarter of slowing economic growth in two years. The contraction was largely attributed to lower private consumption and weak export demand. Economic data also suggested a slowdown of industrial activity in the first quarter of 2018. Inflation rose steadily in Japan during the period under review and the labor market looked healthier than it has since the 1990s.

The Chinese economy continued to grow at a steady rate, consistent with its pace over the previous year. Consumption played a primary role in driving growth, with online retail sales booming. Strong output from the Chinese technology sector also helped drive growth. The U.S. announcement of tariffs on Chinese imports raised the prospect of a trade war between the two highly-interconnected economic superpowers. The immediate impact of the tariffs was fairly muted, however.

Economic growth in emerging markets sustained its momentum throughout the period. Brazil's economy emerged from recession as its policymakers launched an ambitious reform agenda. Economic data suggested the fundamentals of Mexico's economy were healthy.

The U.S. Federal Reserve (the Fed) raised its federal funds rate twice during the six-month period, motivated in large part by rising inflation. The Fed signaled its moves well in advance, so the increases in December 2017 and March 2018 were anticipated.

Market review

U.S. equities experienced high volatility during the six-month period under review, but ultimately ended slightly higher. More than a year of steady gains ended with a sell-off in February that was followed by months of uneven performance.

The S&P 500 Index of large company stocks ended the period 2.66% higher. The Russell 2000[®] Index¹ of small company stocks climbed 3.29%.

U.S. stocks generally outperformed international markets during the period. The MSCI EM Index¹ ended the period up 3.14%. The MSCI EAFE Index¹ of developed market international stocks gained 1.70% for the period.

Steady economic growth and tightening monetary policy kept pressure on the fixed income market. The Bloomberg Barclays U.S. Aggregate Bond Index¹ total return, which tracks the broad investment-grade fixed income market, posted a 1.87% loss. Meanwhile, yields on U.S. government securities rose and the yield curve flattened. The gap between short- and long-term Treasury yields was narrower than it had been in more than a decade, and 10-year Treasuries hit their highest level in four years.

¹ For additional information, please refer to the Glossary of Terms.

HSBC U.S. Government Money Market Fund

(Class A Shares, Class C Shares, Class D Shares, Class E Shares, Class I Shares, Intermediary Class, Intermediary Service Class and Class Y Shares)

by John Chiodi
Senior Portfolio Manager

Moody's and Standard & Poor's have assigned an "Aaa-mf" and "AAAm" rating to the HSBC U.S. Government Money Market Fund.¹

Investment Concerns

You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not a deposit of HSBC Bank USA, N.A. and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.

For a complete description of these and other risks associated with investment in a mutual fund, please refer to the Fund's prospectus.

Portfolio Performance

Yields on U.S. government money market securities rose during the six-month period ended April 30, 2018, as the Fed decided to raise short-term interest rates in December 2017 and again in March 2018. Both rate hikes were anticipated as the Fed has been transparent and signaled moves ahead of time.

The Fund was well-positioned for this environment by maintaining a shorter-than-usual weighted average maturity in anticipation of both rate increases. The Fund also benefited from its exposure to floating rate notes,

which performed well immediately after both instances when the Fed raised the target range. However, modest outflows after the March rate hike slightly lowered the Fund's relative performance.[†]

The reporting period was marked by a large increase in issuance levels. Following the December rate increase, the Fund pivoted from shorter to longer maturity in anticipation of the Treasury's regular year-end challenges when dealing with limited supply. This annual shortage was compounded in the final weeks of 2017 by the government's debate over extending the debt ceiling. In the absence of budget allocations for Treasuries, the government reduced new debt issuance further, lowering supply to a minimum. However, supply returned in force in early 2018 after the debt ceiling debate was settled and the Tax Cuts & Jobs Act went into effect. The Treasury was compelled to issue about \$300 billion in new securities between February and March 2018 with the new tax bill expected to increase the U.S. budget deficit. This issuance generated an influx of supply that caused yields on Treasury bills to rival those of some credit segments.

Although the previous reporting period saw a large migration of investors to government debt, the transition was mostly over by fall 2017 and did not materially affect the Fund's performance during the six-month period under review.

† Portfolio composition is subject to change.

Fund Performance	Inception		Average Annual Total Return (%)				Yield (%) ²		Expense Ratio (%) ³	
	Date	Six Months*	1 Year	5 Year	10 Year	Since Inception	7-Day Average	Gross	Net	
As of April 30, 2018										
Class A	5/3/90	0.39	0.58	0.13	0.16	2.48	1.09	0.66	0.66	
Class C ⁴	11/20/06	—	—	—	—	1.39	—	1.26	1.26	
Class D	4/1/99	0.46	0.73	0.17	0.19	1.55	1.24	0.51	0.51	
Class E ⁵	7/12/16	—	—	—	—	0.34	—	0.26	0.25	
Class I ⁶	12/24/03	0.64	1.09	0.32	0.31	0.99	1.60	0.16	0.16	
Intermediary Class	7/12/16	0.62	1.04	—	—	0.75	1.56	0.31	0.18	
Intermediary Service Class	7/12/16	0.61	1.02	—	—	0.73	1.54	0.36	0.20	
Class Y	7/1/96	0.58	0.98	0.27	0.26	2.13	1.49	0.26	0.26	
Lipper U.S. Government Money Market Funds Average ⁷	—	0.37	0.55	0.12	0.18	2.54 ⁸	N/A	N/A	N/A	

Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. Total return figures include change in share price, reinvestment of dividends and capital gains and do not reflect taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. 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 1-800-782-8183.

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 for the Fund through March 1, 2019 for the Class E Shares, Intermediary Class Shares and Intermediary Service Class Shares.

* Aggregate total return.

1 The "Aaa-mf" and "AAAm" money market fund rating is historical and reflects Moody's and Standard & Poor's opinion as to the quality of the Fund's investments, liquidity management, and operations and trading support. Periodic reviews are conducted to ensure a secure operations environment. Moody's and Standard & Poor's ratings represent an opinion only, not a recommendation to buy or sell. Obligations rated A-1+, A-1 or P-1 are rated in the highest short-term rating category by Standard & Poor's (A-1+ or A-1) or Moody's Investor Service (P-1). The obligor's capacity to meet its financial commitments on these obligations is regarded to be "extremely strong" (A-1+), "strong" (A-1) or "superior" (P-1).

2 The seven-day yield quotation more closely reflects the current earnings of the money market fund than the total return quotation. The seven-day yield reflects voluntary fee waivers/expense reimbursements. Without the voluntary fee waivers/expense reimbursements, the yields would have been 1.06%, 1.21%, 1.56%, 1.41%, 1.36% and 1.46% for Class A Shares, Class D Shares, Class I Shares, Intermediary Class, Intermediary Service Class and Class Y Shares, respectively.

3 Reflects the expense ratio as reported in the prospectus dated February 28, 2018. HSBC Global Asset Management (USA) Inc, the Adviser, has entered into a contractual expense limitation agreement with the Fund under which it will limit total expenses of the Fund (excluding interest, taxes, brokerage commissions, extraordinary expenses and estimated indirect expenses attributable to the Fund's investments in investment companies) to an annual rate of 0.25%, 0.18% and 0.20% for Class E Shares, Intermediary Class Shares and Intermediary Service Class Shares, respectively. The expense limitation shall be in effect until March 1, 2019. Additional information pertaining to the April 30, 2018 expense ratios can be found in the financial highlights.

4 Reflects the applicable contingent deferred sales charge, maximum of 1.00%, for returns presented. Class C Shares were operational during a portion of the periods presented. Amounts reflect performance for the period of time the Class had operations, which was 346, 362 and 351 days during the years ended October 31, 2006, 2009 and 2010, respectively. The Class was not operational during the entire six-months ended April 30, 2018 and the entire fiscal years ended October 31, 2007, 2008, 2011, 2012, 2013, 2014, 2015, 2016 and 2017. No returns are presented for the one-year, five-year and 10-year periods with non-continuous operations.

5 Class E Shares were operational during a portion of the periods presented. Amounts reflect performance for the period of time the Class had operations, which was 112 and 283 days during the years ended October 31, 2016 and 2017, respectively. The Class was not operational during the entire six-months ended April 30, 2018. No returns are presented for the one-year period with non-continuous operations.

6 Class I Shares were operational during a portion of the periods presented. Amounts reflect performance for the period of time the Class had operations, which was 10, 89, 136 and 357 days during the years ended October 31, 2004, 2005, 2006 and 2007, respectively. The Class was operational during the entire six-months ended April 30, 2018 and the entire fiscal years ended October 31, 2008 through 2017.

7 For additional information, please refer to the Glossary of Terms.

8 Return for the period April 30, 1990 to April 30, 2018.

HSBC U.S. Treasury Money Market Fund

(Class A Shares, Class C Shares, Class D Shares, Class E Shares, Class I Shares, Intermediary Class, Intermediary Service Class and Class Y Shares)

by John Chiodi
Senior Portfolio Manager

Moody's and Standard & Poor's have assigned an "Aaa-mf" and "AAAm" rating to the HSBC U.S. Treasury Money Market Fund.¹

Investment Concerns

You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not a deposit of HSBC Bank USA, N.A. and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.

For a complete description of these and other risks associated with investment in a mutual fund, please refer to the Fund's prospectus.

Portfolio Performance

The Fed raised the target range for its federal funds rate, a short-term interest rate that significantly influences Treasury bill yields, in December 2017 and in March 2018. As a result, Treasury bill yields increased during the reporting period ended April 30, 2018. Both rate hikes were anticipated as the Fed has been transparent and signaled moves ahead of time.

The Fund was well-positioned for this environment by maintaining a shorter-than-usual weighted average maturity in anticipation of both rate increases. Where rate hikes were already priced in, the Fund was able to lengthen

maturity levels accordingly. The Fund also benefited from exposure to floating rate notes, which performed well immediately after the both instances when the Fed raised the target range. However, modest outflows after the December rate hike slightly lowered the Fund's relative performance.[†]

The period was marked by a large increase in issuance levels. Typically, as was the case at the end of 2017, demand for Treasuries from institutional investors increases at the end of the year when the government restricts supply. This annual shortage was compounded in the final weeks of 2017 by the government's debate over extending the debt ceiling. In the absence of budget allocations for Treasuries, the government further reduced new debt issuance, lowering supply to a minimum. However, supply returned in force in early 2018 after the debt ceiling debate was settled and the Tax Cuts & Jobs Act went into effect. The Treasury was compelled to issue about \$300 billion in new securities between February and March 2018 with the new tax bill expected to increase the U.S. budget deficit. This issuance generated an influx of supply that caused yields on Treasury bills to rival those of some credit segments.

Although the previous reporting period saw a large migration of investors to government debt, the transition was mostly over by fall 2017 and did not materially affect the Fund's performance during the six-month period under review.

† Portfolio composition is subject to change.

Fund Performance	Average Annual Total Return (%)			Yield (%) ²		Expense Ratio (%) ³			
	Inception Date	Six Months*	1 Year	5 Year	10 Year	Since Inception	7-Day Average	Gross	Net
As of April 30, 2018									
Class A ⁴	5/24/01	—	—	—	—	1.08	—	0.68	0.68
Class C ⁵	12/24/03	—	—	—	—	0.04	—	1.28	1.28
Class D	5/14/01	0.44	0.68	0.15	0.13	0.94	1.21	0.53	0.53
Class E ⁶	7/12/16	—	—	—	—	0.37	—	0.28	0.25
Class I ⁷	12/30/03	0.62	1.04	0.28	0.22	1.08	1.57	0.18	0.18
Intermediary Class	7/12/16	0.59	0.84	—	—	0.63	1.55	0.33	0.18
Intermediary Service Class	7/12/16	0.60	0.99	—	—	0.71	1.53	0.38	0.20
Class Y	5/11/01	0.57	0.93	0.23	0.18	1.08	1.46	0.28	0.28
Lipper U.S. Treasury Money Market Funds Average ⁸	—	0.38	0.59	0.13	0.12	0.99 ⁹	N/A	N/A	N/A

Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. Total return figures include change in share price, reinvestment of dividends and capital gains and do not reflect taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. 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 1-800-782-8183.

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 for the Fund through March 1, 2019 for the Class E Shares, Intermediary Class Shares and Intermediary Service Class Shares.

* Aggregate total return.

1 The "Aaa-mf" and "AAAm" money market fund rating is historical and reflects Moody's and Standard & Poor's opinion as to the quality of the Fund's investments, liquidity management, and operations and trading support. Periodic reviews are conducted to ensure a secure operations environment. Moody's and Standard & Poor's ratings represent an opinion only, not a recommendation to buy or sell. Obligations rated A-1+, A-1 or P-1 are rated in the highest short-term rating category by Standard & Poor's (A-1+ or A-1) or Moody's Investor Service (P-1). The obligor's capacity to meet its financial commitments on these obligations is regarded to be "extremely strong" (A-1+), "strong" (A-1) or "superior" (P-1).

2 The seven-day yield quotation more closely reflects the current earnings of the money market fund than the total return quotation. Without the voluntary fee waivers/expense reimbursements, the yields would have been 1.18%, 1.53%, 1.38%, 1.33% and 1.43% for Class D Shares, Class I Shares, Intermediary Class, Intermediary Service Class and Class Y Shares, respectively.

3 Reflects the expense ratio as reported in the prospectus dated February 28, 2018. HSBC Global Asset Management (USA) Inc, the Adviser, has entered into a contractual expense limitation agreement with the Fund under which it will limit total expenses of the Fund (excluding interest, taxes, brokerage commissions, extraordinary expenses and estimated indirect expenses attributable to the Fund's investments in investment companies) to an annual rate of 0.25%, 0.18% and 0.20% for Class E Shares, Intermediary Class Shares and Intermediary Service Class Shares, respectively. The expense limitation shall be in effect until March 1, 2019. Additional information pertaining to the April 30, 2018 expense ratios can be found in the financial highlights.

4 Class A Shares were operational during a portion of the periods presented. Amounts reflect performance for the period of time the Class had operations, which was 201 days during the year ended October 31, 2014 and the entire fiscal years ended October 31, 2001 through 2013. The Class was not operational during the entire six-months ended April 30, 2018 and the entire fiscal years ended October 31, 2015 through 2017. No returns are presented for the one-year, five-year and 10-year periods with non-continuous operations.

5 Reflects the applicable contingent deferred sales charge, maximum of 1.00%, for returns presented. Class C Shares were operational during a portion of the periods presented. Amounts reflect performance for the period of time the Class had operations, which was 26 and 351 days during the years ended October 31, 2008 and 2010, respectively. The Class was operational during the entire fiscal years ended October 31, 2005, 2006, 2007 and 2009. The Class was not operational during the entire six-months ended April 30, 2018 and the entire years ended October 31, 2011 through 2017. No returns are presented for the one-year, five-year and 10-year periods with non-continuous operations.

6 Class E Shares were operational during a portion of the periods presented. Amounts reflect performance for the period of time the Class had operations, which was 112 and 283 days during the fiscal years ended October 31, 2016 and 2017, respectively. The Class was not operational during the entire six-months ended April 30, 2018. No returns are presented for the one-year period with non-continuous operations.

7 Class I Shares were operational during a portion of the periods presented. Amounts reflect performance for the period of time the Class had operations, which was 13 and 280 days during the years ended October 31, 2004 and 2005, respectively. The Class was operational during the entire six-month ended April 30, 2018 and the entire fiscal years ended October 31, 2006 through 2017.

8 For additional information, please refer to the Glossary of Terms.

9 Return for the period April 30, 2001 to April 30, 2018.

Portfolio Reviews

Portfolio Composition*

April 30, 2018 (Unaudited)

HSBC U.S. Government Money Market Fund

Investment Allocation	Percentage of Investments at Value (%) [†]
Repurchase Agreements	46.5
U.S. Government and Government Agency Obligations	44.0
U.S. Treasury Obligations	9.5
Total	100.0

HSBC U.S. Treasury Money Market Fund

Investment Allocation	Percentage of Investments at Value (%)
U.S. Treasury Obligations	100.0
Total	100.0

* Portfolio composition is subject to change.

[†] Excludes any instruments used for cash management.

HSBC U.S. GOVERNMENT MONEY MARKET FUND

Schedule of Portfolio Investments—as of April 30, 2018 (Unaudited)

U.S. Government and Government Agency Obligations – 41.8%

	Principal Amount (\$)	Amortized Cost (\$)
Federal Farm Credit Bank – 12.2%		
1.02%, 11/02/2018	21,660,000	21,597,566
1.51%, 08/10/2018(a)	25,000,000	24,893,389
1.59%, 09/25/2018(a)	100,000,000	99,350,750
1.59%, 09/26/2018(a)	25,000,000	24,836,583
1.62%, 10/24/2018(a)	43,000,000	42,659,440
1.64%, 08/20/2018(a)	50,000,000	49,745,625
1.67% (FCPR DLY - 308 bps), 03/11/2019(b)	150,000,000	149,993,565
1.68%, 10/10/2018(a)	100,000,000	99,244,000
1.71% (FEDL01 + 1 bps), 04/24/2019(b)	75,000,000	74,992,615
1.73%, 10/31/2018(a)	190,000,000	188,338,768
1.73% (FEDL01 + 3 bps), 04/25/2019(b)	100,000,000	100,000,000
1.75% (FEDL01 + 5 bps), 11/01/2018(b)	50,000,000	49,998,731
1.80%, 12/10/2018(a)	60,000,000	59,334,717
1.90% (US0001M + 2 bps), 10/03/2018(b)	175,000,000	175,000,000
		<u>1,159,985,749</u>
Federal Home Loan Bank – 29.3%		
1.45%, 06/15/2018(a)	153,841,000	153,556,587
1.63%, 08/08/2018(a)	150,000,000	149,323,500
1.64%, 07/05/2018(a)	50,000,000	49,849,688
1.70%, 07/03/2018(a)	150,000,000	149,548,500
1.75% (US0001M - 15 bps), 10/24/2018(b)	150,000,000	150,000,000
1.75% (US0001M - 15 bps), 10/23/2018(b)	100,000,000	100,000,000
1.75% (US0001M - 15 bps), 08/15/2018(b)	75,000,000	75,000,000
1.76% (US0001M - 14 bps), 05/09/2018(b)	100,000,000	100,000,000
1.76% (US0001M - 14 bps), 10/16/2018(b)	125,000,000	125,000,000
1.77% (US0001M - 13 bps), 11/09/2018(b)	100,000,000	100,000,000
1.77% (US0001M - 12 bps), 08/01/2018(b)	100,000,000	100,000,000
1.77% (US0001M - 13 bps), 08/21/2018(b)	100,000,000	100,000,000
1.77%, 06/20/2018(a)	50,000,000	49,875,000
1.77% (US0001M - 13 bps), 09/17/2018(b)	100,000,000	100,000,000
1.78% (US0001M - 12 bps), 04/12/2019(b)	150,000,000	150,000,000
1.78% (US0001M - 12 bps), 10/10/2018(b)	140,000,000	140,000,000
1.78% (US0001M - 12 bps), 04/26/2019(b)	100,000,000	100,000,000
1.78% (US0001M - 12 bps), 04/26/2019(b)	100,000,000	100,000,000
1.79% (US0001M - 9 bps), 04/05/2019(b)	75,000,000	75,000,000

U.S. Government and Government Agency Obligations, continued

	Principal Amount (\$)	Amortized Cost (\$)
1.80% (US0001M - 10 bps), 04/18/2019(b)	150,000,000	150,000,000
1.80%, 07/25/2018(a)	150,000,000	149,358,958
1.82% (US0001M - 8 bps), 07/09/2019(b)	100,000,000	100,000,000
1.82% (US0001M - 8 bps), 12/21/2018(b)	100,000,000	100,000,000
1.83% (US0001M - 7 bps), 02/25/2019(b)	100,000,000	100,000,000
1.91%, 09/19/2018(a)	75,000,000	74,440,406
1.93% (US0001M - 4 bps), 05/25/2018(b)	75,000,000	75,000,000
		<u>2,815,952,639</u>
Federal Home Loan Mortgage Corp. – 0.3%		
1.55%, 09/14/2018(a)	29,459,000	29,286,501
TOTAL U.S. GOVERNMENT AND GOVERNMENT AGENCY OBLIGATIONS (Cost \$4,005,224,889)		
		4,005,224,889
U.S. Treasury Obligations – 9.1%		
U.S. Treasury Bills – 6.3%		
1.36%, 05/24/2018(a)	100,000,000	99,909,533
1.38%, 05/10/2018(a)	110,000,000	109,963,728
1.60%, 07/26/2018(a)	50,000,000	49,807,694
1.74%, 07/19/2018(a)	125,000,000	124,517,222
1.89%, 10/11/2018(a)	225,000,000	223,144,744
		<u>607,342,921</u>
U.S. Treasury Notes – 2.8%		
1.00%, 09/15/2018	125,000,000	124,722,794
1.38%, 09/30/2018	50,000,000	49,954,056
1.90% (USBBMMY3M + 6 bps), 07/31/2019(b)	35,000,000	35,040,614
2.38%, 06/30/2018	50,000,000	50,074,274
		<u>259,791,738</u>
TOTAL U.S. TREASURY OBLIGATIONS (Cost \$867,134,659)		
		867,134,659
Investment Companies – 4.9%		
	Shares	Value (\$)
BlackRock Liquidity Funds Fedfund Portfolio, Institutional Shares, 1.59%(c) . . .	1,126,499	1,126,499
Dreyfus Government Cash Management, Institutional Shares, 1.59%(c) . . .	142,102,786	142,102,786
Federated Government Obligations Fund, Institutional Shares, 1.56%(c) . . .	329,094,211	329,094,211
TOTAL INVESTMENT COMPANIES (Cost \$472,323,496)		
		472,323,496

HSBC U.S. GOVERNMENT MONEY MARKET FUND

Schedule of Portfolio Investments—as of April 30, 2018 (Unaudited) (continued)

Repurchase Agreements – 44.2%

	Principal Amount (\$)	Value (\$)
BNP Paribas, 1.73%, 5/1/18, Purchased on 4/30/18, with maturity value of \$100,004,806, collateralized by various U.S. Government and Government Agency Obligations, 2.14%-7.00%, 1/1/30-5/1/56, fair value \$102,000,000	100,000,000	100,000,000
BNP Paribas, 1.71%, 5/1/18, Purchased on 4/30/18, with maturity value of \$1,175,055,813, collateralized by U.S. Treasury Obligations, 0.00%-8.00%, 5/15/18-8/15/46, fair value \$1,198,500,000	1,175,000,000	1,175,000,000
Citigroup Global Markets, 1.72%, 5/1/18, Purchased on 4/30/18, with maturity value of \$100,004,778, collateralized by various U.S. Government and Government Agency Obligations, 0.00%-5.50%, 5/31/18-1/1/48, fair value \$102,000,000	100,000,000	100,000,000
Credit Agricole Cib NY, 1.69%, 5/1/18, Purchased on 4/30/18, with maturity value of \$1,000,046,944, collateralized by U.S. Treasury Obligations, 1.38%-1.88%, 1/31/20-4/30/22, fair value \$1,020,000,006	1,000,000,000	1,000,000,000
Deutsche Bank Securities, Inc., 1.73%, 5/1/18, Purchased on 4/30/18, with maturity value of \$200,009,611, collateralized by various U.S. Government and Government Agency Obligations, 0.00%-6.63%, 6/6/18-3/15/31, fair value \$204,000,276	200,000,000	200,000,000
Goldman Sachs & Co., 1.71%, 5/1/18, Purchased on 4/30/18, with maturity value of \$100,004,750, collateralized by various U.S. Government and Government Agency Obligations, 2.50%-6.50%, 9/1/25-1/1/48, fair value \$102,000,000	100,000,000	100,000,000
Goldman Sachs & Co., 1.66%, 5/2/18, Purchased on 4/25/18, with maturity value of \$150,048,417, collateralized by various U.S. Government and Government Agency Obligations, 2.50%-6.00%, 6/1/25-2/1/48, fair value \$153,000,000	150,000,000	150,000,000
Merrill Lynch Pierce Fenner & Smith, Inc., 1.71%, 5/1/18, Purchased on 4/30/18, with maturity value of \$100,004,750, collateralized by U.S. Treasury Obligations, 1.50%-3.75%, 12/31/19-8/15/45, fair value \$102,000,069	100,000,000	100,000,000

Repurchase Agreements, continued

	Principal Amount (\$)	Value (\$)
Royal Bank of Canada, 1.67%, 5/1/18, Purchased on 4/30/18, with maturity value of \$100,004,639, collateralized by U.S. Treasury Obligations, 0.00%-9.00%, 5/15/18-11/15/47, fair value \$102,000,051	100,000,000	100,000,000
RBS Securities, Inc., 1.70%, 5/1/18, Purchased on 4/30/18, with maturity value of \$500,023,611, collateralized by U.S. Treasury Obligations, 0.25%-0.38%, 7/15/23-1/15/27, fair value \$510,004,320	500,000,000	500,000,000
Societe' Generale, 1.74%, 5/1/18, Purchased on 4/30/18, with maturity value of \$400,019,333, collateralized by various U.S. Government and Government Agency Obligations, 0.00%-5.57%, 8/24/18-1/1/48, fair value \$408,000,032	400,000,000	400,000,000
Toronto Dominion Bank NY, 1.72%, 5/1/18, Purchased on 4/30/18, with maturity value of \$300,014,333, collateralized by U.S. Treasury Obligations, 0.75%-2.75%, 8/31/18-11/30/24, fair value \$306,000,039	300,000,000	300,000,000
TOTAL REPURCHASE AGREEMENTS (Cost \$4,225,000,000)		4,225,000,000
TOTAL INVESTMENTS IN SECURITIES (Cost \$9,569,683,044) – 100.0%		9,569,683,044
Other Assets (Liabilities) – 0.0%		(2,278,777)
NET ASSETS – 100%		\$9,567,404,267

- (a) Discount note. Rate presented represents the effective yield at time of purchase.
- (b) Floating or variable rate security. The rate presented represents the rate in effect on April 30, 2018. These securities are deemed to have a maturity remaining until the next adjustment of the interest rate or the longer of the demand period or time to the next readjustment.
- (c) The rate represents the annualized one day yield that was in effect on April 30, 2018.

bps - Basis Points
 FCPR DLY - Federal Reserve Bank Prime Rate Loan US
 FEDL01 - Effective Federal Funds Rate
 USBMMY3M - 3 Month Treasury Bill Rate
 US0001M - 1 Month US Dollar LIBOR

HSBC U.S. TREASURY MONEY MARKET FUND

Schedule of Portfolio Investments— as of April 30, 2018 (Unaudited)

U.S. Treasury Obligations – 101.1%

	<u>Principal Amount (\$)</u>	<u>Amortized Cost (\$)</u>
U.S. Treasury Bills – 63.5%		
1.06%, 05/03/2018(a)	409,000,000	408,963,951
1.36%, 05/24/2018(a)	25,000,000	24,977,383
1.38%, 05/10/2018(a)	300,000,000	299,884,816
1.49%, 06/14/2018(a)	109,000,000	108,798,016
1.54%, 05/17/2018(a)	225,000,000	224,836,985
1.55%, 07/05/2018(a)	40,000,000	39,886,738
1.60%, 07/26/2018(a)	50,000,000	49,807,695
1.70%, 07/12/2018(a)	50,000,000	49,828,300
1.74%, 07/19/2018(a)	41,000,000	40,841,649
1.78%, 08/02/2018(a)	25,000,000	24,884,038
1.89%, 10/11/2018(a)	75,000,000	74,358,471
		1,347,068,042
U.S. Treasury Notes – 37.6%		
0.88%, 10/15/2018	50,000,000	49,754,830
1.00%, 05/31/2018	50,000,000	49,971,863
1.00%, 09/15/2018	75,000,000	74,823,721
1.89% (USBMMY3M + 5 bps), 10/31/2019(b)	48,000,000	48,036,580
1.90% (USBMMY3M + 6 bps), 07/31/2019(b)	145,000,000	145,096,326
1.91% (USBMMY3M + 7 bps), 04/30/2019(b)	50,000,000	50,064,688
1.98% (USBMMY3M + 14 bps), 01/31/2019(b)	100,000,000	100,137,579
2.01% (USBMMY3M + 17 bps), 10/31/2018(b)	75,000,000	75,081,682
2.01% (USBMMY3M + 17 bps), 07/31/2018(b)	100,000,000	100,047,881
2.38%, 05/31/2018	50,000,000	50,028,138
3.88%, 05/15/2018	50,000,000	50,042,644
		793,085,932
TOTAL U.S. TREASURY OBLIGATIONS (Cost \$2,140,153,974)		2,140,153,974
TOTAL INVESTMENTS IN SECURITIES (Cost \$2,140,153,974) – 101.1%		2,140,153,974
Other Assets (Liabilities) – (1.1)%		(24,097,699)
NET ASSETS – 100%		\$2,116,056,275

(a) Discount note. Rate presented represents the effective yield at time of purchase.

(b) Floating or variable rate security. The rate presented represents the rate in effect on April 30, 2018. These securities are deemed to have a maturity remaining until the next adjustment of the interest rate or the longer of the demand period or time to the next readjustment.

bps – Basis Points

USBMMY3M - 3 Month Treasury Bill Rate

HSBC FAMILY OF FUNDS

Statements of Assets and Liabilities— as of April 30, 2018 (Unaudited)

	HSBC U.S. Government Money Market Fund	HSBC U.S. Treasury Money Market Fund
Assets:		
Investments in securities, at value	\$ 5,344,683,044	\$2,140,153,974
Repurchase agreements, at value	4,225,000,000	—
Cash	1,464,069	382,908
Interest receivable	3,773,145	1,741,486
Prepaid expenses and other assets	144,181	48,709
Total Assets	<u>9,575,064,439</u>	<u>2,142,327,077</u>
Liabilities:		
Distributions payable	5,869,423	827,183
Payable for investments purchased	—	24,884,038
Accrued expenses and other liabilities:		
Investment Management	789,783	238,180
Administration	331,663	70,496
Shareholder Servicing	346,466	43,018
Accounting	9,691	8,795
Custodian fees	34,049	15,830
Transfer Agent	5,425	6,067
Trustee	1,839	2,695
Other	271,833	174,500
Total Liabilities	<u>7,660,172</u>	<u>26,270,802</u>
Net Assets	<u>\$9,567,404,267</u>	<u>\$2,116,056,275</u>
Composition of Net Assets:		
Capital	9,567,456,917	2,116,081,080
Accumulated net investment income/(distributions in excess of net investment income)	18,425	3,586
Accumulated net realized gains/(losses) from investments	(71,075)	(28,391)
Net Assets	<u>\$9,567,404,267</u>	<u>\$2,116,056,275</u>
Net Assets:		
Class A Shares	\$ 2,314,130	\$ —
Class D Shares	1,577,878,298	191,504,629
Class I Shares	6,019,886,374	714,115,508
Intermediary Class Shares	179,288,739	130,376,208
Intermediary Service Class Shares	139,256,053	52,808,988
Class Y Shares	1,648,780,673	1,027,250,942
	<u>\$9,567,404,267</u>	<u>\$2,116,056,275</u>
Shares Outstanding:		
(\$0.001 par value, unlimited number of shares authorized):		
Class A Shares	2,314,123	—
Class D Shares	1,577,688,915	191,541,028
Class I Shares	6,020,086,430	714,124,043
Intermediary Class Shares	179,290,733	130,377,814
Intermediary Service Class Shares	139,259,133	52,810,438
Class Y Shares	1,648,833,930	1,027,232,724
Net Asset Value, Offering Price and Redemption Price per share:		
Class A Shares	\$ 1.00	\$ —
Class D Shares	\$ 1.00	\$ 1.00
Class I Shares	\$ 1.00	\$ 1.00
Intermediary Class Shares	\$ 1.00	\$ 1.00
Intermediary Service Class Shares	\$ 1.00	\$ 1.00
Class Y Shares	\$ 1.00	\$ 1.00
Investment in securities, at cost	<u>\$5,344,683,044</u>	<u>\$2,140,153,974</u>
Repurchase Agreements, at cost	<u>\$4,225,000,000</u>	<u>—</u>

HSBC FAMILY OF FUNDS

Statements of Operations—For the six months ended April 30, 2018 (Unaudited)

	HSBC U.S. Government Money Market Fund	HSBC U.S. Treasury Money Market Fund
Investment Income:		
Interest	\$ 76,687,087	\$ 14,898,877
Dividends	818,989	—
Total Investment Income	<u>77,506,076</u>	<u>14,898,877</u>
Expenses:		
Investment Management	5,542,933	1,064,316
Operational Support:		
Class A Shares	1,008	—
Class D Shares	813,177	123,017
Intermediary Class Shares	77,018	58,573
Intermediary Service Class Shares	15,927	18,535
Class Y Shares	915,171	564,059
Administration:		
Class A Shares	390	—
Class D Shares	314,440	47,580
Class I Shares	1,438,767	116,065
Intermediary Class Shares	29,750	22,615
Intermediary Service Class Shares	6,160	7,162
Class Y Shares	353,884	218,088
Shareholder Servicing:		
Class A Shares	4,035	—
Class D Shares	2,032,958	307,545
Intermediary Class Shares	38,510	29,288
Intermediary Service Class Shares	15,927	18,534
Accounting	36,899	31,130
Compliance Services	12,886	12,886
Custodian	606,485	67,430
Printing	205,214	35,968
Professional	119,429	93,147
Transfer Agent	121,955	57,481
Trustee	32,182	31,048
Registration fees	67,981	42,270
Other	441,414	106,324
Total expenses before fee and expense reductions	13,244,500	3,073,061
Fees voluntarily reduced/reimbursed by Investment Adviser	(1,688,530)	(320,373)
Fees contractually reduced/reimbursed by Investment Adviser	(68,379)	(69,540)
Fees voluntarily reduced by Administrator	(372,067)	(30,014)
Fees voluntarily reduced by Shareholder Servicing Agent	(54,437)	(47,822)
Custody earnings credits	(429,008)	(32,322)
Net Expenses	<u>10,632,079</u>	<u>2,572,990</u>
Net Investment Income	<u>66,873,997</u>	<u>12,325,887</u>
Realized/Unrealized Gains/(Losses) from Investments:		
Net realized gains/(losses) from investments in securities	(71,075)	(21,872)
Net realized/unrealized gains (losses) on investments	(71,075)	(21,872)
Change in Net Assets Resulting from Operations	<u>\$66,802,922</u>	<u>\$12,304,015</u>

Amounts designated as “—” are \$0.00 or have been rounded to \$0.00.

HSBC FAMILY OF FUNDS

Statements of Changes in Net Assets

	HSBC U.S. Government Money Market Fund		HSBC U.S. Treasury Money Market Fund	
	Six Months Ended April 30, 2018 (unaudited)	Year Ended October 31, 2017	Six Months Ended April 30, 2018 (unaudited)	Year Ended October 31, 2017
Investment Activities:				
Operations:				
Net investment income	\$ 66,873,997	\$ 65,724,470	\$ 12,325,887	\$ 10,022,175
Net realized gains/(losses) from investments	(71,075)	16,147	(21,872)	(6,519)
Change in net assets resulting from operations	<u>66,802,922</u>	<u>65,740,617</u>	<u>12,304,015</u>	<u>10,015,656</u>
Distributions:				
Net investment income:				
Class A Shares	(7,925)	(4,031)	—	—
Class B Shares*	—	(4)	—	—
Class D Shares	(7,497,147)	(5,633,122)	(1,068,525)	(771,011)
Class E Shares	—	(5)	—	(3)
Class I Shares	(47,481,052)	(46,468,106)	(3,779,952)	(4,077,583)
Intermediary Class Shares	(1,010,706)	(334,084)	(758,816)	(5)
Intermediary Service Class Shares	(211,362)	(149,565)	(235,690)	(108,766)
Class Y Shares	(10,665,698)	(13,117,235)	(6,483,833)	(5,060,292)
Net realized gains:				
Class A Shares	(2)	(16)	—	—
Class D Shares	(1,651)	(19,535)	—	(2,175)
Class I Shares	(8,484)	(54,230)	—	(5,252)
Intermediary Class Shares	(207)	(127)	—	—
Intermediary Service Class Shares	(60)	(319)	—	(139)
Class Y Shares	(1,877)	(36,343)	—	(5,686)
Change in net assets from distributions:	<u>(66,886,171)</u>	<u>(65,816,722)</u>	<u>(12,326,816)</u>	<u>(10,030,912)</u>
Change in net assets resulting from capital transactions	<u>(2,412,280,066)</u>	<u>1,435,225,862</u>	<u>(126,162,887)</u>	<u>965,841,130</u>
Change in net assets	<u>(2,412,363,315)</u>	<u>1,435,149,757</u>	<u>(126,185,688)</u>	<u>965,825,874</u>
Net Assets:				
Beginning of period	<u>11,979,767,582</u>	<u>10,544,617,825</u>	<u>2,242,241,963</u>	<u>1,276,416,089</u>
End of period	<u>\$ 9,567,404,267</u>	<u>\$ 11,979,767,582</u>	<u>\$ 2,116,056,275</u>	<u>\$ 2,242,241,963</u>
Accumulated net investment income/(distributions in excess of net investment income)	<u>\$ 18,425</u>	<u>\$ 18,318</u>	<u>\$ 3,586</u>	<u>\$ 4,515</u>

* Class B Shares were liquidated on June 15, 2017 and are no longer offered.

HSBC FAMILY OF FUNDS

Statements of Changes in Net Assets (continued)

	HSBC U.S. Government Money Market Fund		HSBC U.S. Treasury Money Market Fund	
	Six Months Ended April 30, 2018 (unaudited)	Year Ended October 31, 2017	Six Months Ended April 30, 2018 (unaudited)	Year Ended October 31, 2017
CAPITAL TRANSACTIONS*:				
Class A Shares				
Proceeds from shares issued	\$ 686,877	\$ 1,250,433	\$ —	\$ —
Dividends reinvested	7,888	4,023	—	—
Value of shares redeemed	(378,929)	(976,253)	—	—
Class A Shares capital transactions	<u>315,836</u>	<u>278,203</u>	<u>—</u>	<u>—</u>
Class B Shares**				
Proceeds from shares issued	—	833	—	—
Dividends reinvested	—	4	—	—
Value of shares redeemed	—	(49,611)	—	—
Class B Shares capital transactions	<u>—</u>	<u>(48,774)</u>	<u>—</u>	<u>—</u>
Class D Shares				
Proceeds from shares issued	1,897,280,621	3,439,557,773	471,355,908	1,725,188,294
Dividends reinvested	5,236,364	3,741,527	656,772	452,304
Value of shares redeemed	(1,969,848,442)	(3,747,291,178)	(537,567,975)	(1,682,583,070)
Class D Shares capital transactions	<u>(67,331,457)</u>	<u>(303,991,878)</u>	<u>(65,555,295)</u>	<u>43,057,528</u>
Class E Shares				
Dividends reinvested	—	5	—	3
Value of shares redeemed	—	(2,007)	—	(1,004)
Class E Shares capital transactions	<u>—</u>	<u>(2,002)</u>	<u>—</u>	<u>(1,001)</u>
Class I Shares				
Proceeds from shares issued	64,192,252,317	129,309,701,797	4,001,118,104	8,144,761,629
Dividends reinvested	18,084,066	17,104,301	1,373,588	1,676,610
Value of shares redeemed	(66,043,850,754)	(126,160,507,607)	(4,150,313,548)	(7,630,922,394)
Class I Shares capital transactions	<u>(1,833,514,371)</u>	<u>3,166,298,491</u>	<u>(147,821,856)</u>	<u>515,515,845</u>
Intermediary Class Shares				
Proceeds from shares issued	656,154,863	406,593,674	175,433,868	11
Dividends reinvested	115,285	61,962	6	4
Value of shares redeemed	(496,674,459)	(397,082,021)	(45,057,065)	(11)
Intermediary Class Shares capital transactions	<u>159,595,689</u>	<u>9,573,615</u>	<u>130,376,809</u>	<u>4</u>
Intermediary Service Class Shares				
Proceeds from shares issued	820,258,869	1,407,115,250	38,321,270	29,200,010
Dividends reinvested	167,093	139,084	136,198	108,710
Value of shares redeemed	(738,212,060)	(1,355,215,341)	(7,662,669)	(25,401,015)
Intermediary Service Class Shares capital transactions	<u>82,213,902</u>	<u>52,038,993</u>	<u>30,794,799</u>	<u>3,907,705</u>
Class Y Shares				
Proceeds from shares issued	5,482,017,593	13,932,449,680	1,102,318,705	2,041,622,527
Dividends reinvested	9,587,950	12,442,356	6,339,437	4,982,199
Value of shares redeemed	(6,245,165,208)	(15,433,812,822)	(1,182,615,486)	(1,643,243,677)
Class Y Shares capital transactions	<u>(753,559,665)</u>	<u>(1,488,920,786)</u>	<u>(73,957,344)</u>	<u>403,361,049</u>
Change in net assets resulting from capital transactions	<u>\$ (2,412,280,066)</u>	<u>\$ 1,435,225,862</u>	<u>\$ (126,162,887)</u>	<u>\$ 965,841,130</u>

* Share transactions are at net asset value of \$1.00 per share.

** Class B Shares were liquidated on June 15, 2017 and are no longer offered.

HSBC U.S. GOVERNMENT MONEY MARKET FUND

Financial Highlights

Selected data for a share outstanding throughout the periods indicated.

	Investment Activities					Distributions			Ratios/Supplementary Data				
	Net Asset Value, Beginning of Period	Net Investment Income	Realized and Unrealized Gains (Losses) from Investments	Total from Investment Activities	Net Investment Income	Net Realized Gains from Investment Transactions	Total Distributions	Net Asset Value, End of Period	Total Return(a)	Net Assets at End of Period (000's)	Ratio of Net Expenses to Average Net Assets(b)	Ratio of Net Investment Income to Average Net Assets(b)	Ratio of Expenses to Average Net Assets (Excluding Fee Reductions)(b)
CLASS A SHARES													
Six Months Ended													
April 30, 2018 (unaudited)	\$1.00	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$1.00	0.39%	\$ 2,314	0.63%	0.79%	0.66%
Year Ended October 31, 2017	1.00	—	—	—	—	—	—	1.00	0.22%	1,998	0.59%	0.23%	0.68%
Year Ended October 31, 2016	1.00	—	—	—	—	—	—	1.00	0.02%	1,720	0.34%	0.02%	0.69%
Year Ended October 31, 2015	1.00	—	—	—	—	—	—	1.00	0.03%	929	0.08%	0.03%	0.69%
Year Ended October 31, 2014	1.00	—	—	—	—	—	—	1.00	0.02%	154	0.07%	0.02%	0.69%
Year Ended October 31, 2013	1.00	—	—	—	—	—	—	1.00	0.01%	428	0.17%	0.01%	0.68%
CLASS D SHARES													
Six Months Ended													
April 30, 2018 (unaudited)	\$1.00	—	—	—	—	—	—	\$1.00	0.46%	\$1,577,878	0.48%	0.92%	0.51%
Year Ended October 31, 2017	1.00	—	—	—	—	—	—	1.00	0.34%	1,645,222	0.47%	0.32%	0.54%
Year Ended October 31, 2016	1.00	—	—	—	—	—	—	1.00	0.02%	1,949,225	0.34%	0.02%	0.54%
Year Ended October 31, 2015	1.00	—	—	—	—	—	—	1.00	0.03%	888,084	0.07%	0.03%	0.53%
Year Ended October 31, 2014	1.00	—	—	—	—	—	—	1.00	0.02%	727,290	0.06%	0.02%	0.54%
CLASS E SHARES													
October 31, 2016 through August 10, 2017(c)	\$1.00	—	—	—	—	—	—	\$1.00	0.26%	\$ —	0.23%	0.33%	0.29%
July 12, 2016(d) through October 31, 2016	1.00	—	—	—	—	—	—	1.00	0.11%	2	0.06%	0.32%	0.31%
CLASS I SHARES													
Six Months Ended													
April 30, 2018 (unaudited)	\$1.00	0.01	—	0.01	(0.01)	—	(0.01)	\$1.00	0.64%	\$6,019,886	0.12%	1.28%	0.16%
Year Ended October 31, 2017	1.00	0.01	—	0.01	(0.01)	—	(0.01)	1.00	0.69%	7,853,457	0.12%	0.71%	0.18%
Year Ended October 31, 2016	1.00	—	—	—	—	—	—	1.00	0.21%	4,687,197	0.14%	0.23%	0.19%
Year Ended October 31, 2015	1.00	—	—	—	—	—	—	1.00	0.03%	1,589,264	0.07%	0.03%	0.18%
Year Ended October 31, 2014	1.00	—	—	—	—	—	—	1.00	0.02%	1,411,088	0.06%	0.02%	0.19%
Year Ended October 31, 2013	1.00	—	—	—	—	—	—	1.00	0.01%	1,156,894	0.13%	0.02%	0.18%
INTERMEDIARY CLASS SHARES													
Six Months Ended													
April 30, 2018 (unaudited)	\$1.00	0.01	—	0.01	(0.01)	—	(0.01)	\$1.00	0.62%	\$ 179,289	0.16%	1.31%	0.31%
Year Ended October 31, 2017	1.00	0.01	—	0.01	(0.01)	—	(0.01)	1.00	0.63%	19,694	0.18%	0.65%	0.33%
July 12, 2016(d) through October 31, 2016	1.00	—	—	—	—	—	—	1.00	0.11%	10,121	0.18%	0.26%	0.37%

HSBC U.S. GOVERNMENT MONEY MARKET FUND

Financial Highlights (continued)

	Investment Activities				Distributions			Ratios/Supplementary Data					
	Net Asset Value, Beginning of Period	Net Investment Income	Net Realized and Unrealized Gains (Losses) from Investments	Total from Investment Activities	Net Investment Income	Net Realized Gains from Investment Transactions	Total Distributions	Net Asset Value, End of Period	Total Return(a)	Net Assets at End of Period (000's)	Ratio of Net Expenses to Average Net Assets(b)	Ratio of Net Investment Income to Average Net Assets(b)	Ratio of Expenses to Average Net Assets (Excluding Fee Reductions)(b)
INTERMEDIARY SERVICE													
CLASS SHARES													
Six Months Ended													
April 30, 2018 (unaudited)	\$1.00	\$0.01	\$—	\$ 0.01	\$ (0.01)	\$—	\$ (0.01)	\$1.00	0.61%	\$ 139,256	0.18%	1.33%	0.36%
Year Ended October 31, 2017	1.00	0.01	—	0.01	(0.01)	—	(0.01)	1.00	0.61%	57,042	0.20%	0.63%	0.39%
July 12, 2016(d) through October 31, 2016	1.00	—	—	—	—	—	—	1.00	0.10%	5,003	0.18%	0.22%	0.42%
CLASS Y SHARES													
Six Months Ended													
April 30, 2018 (unaudited)	\$1.00	0.01	—	0.01	(0.01)	—	(0.01)	\$1.00	0.58%	\$ 1,648,781	0.23%	1.17%	0.26%
Year Ended October 31, 2017	1.00	0.01	—	0.01	(0.01)	—	(0.01)	1.00	0.58%	2,402,354	0.23%	0.53%	0.29%
Year Ended October 31, 2016	1.00	—	—	—	—	—	—	1.00	0.12%	3,891,299	0.23%	0.11%	0.28%
Year Ended October 31, 2015	1.00	—	—	—	—	—	—	1.00	0.03%	3,779,595	0.07%	0.03%	0.28%
Year Ended October 31, 2014	1.00	—	—	—	—	—	—	1.00	0.02%	3,458,399	0.06%	0.02%	0.29%
Year Ended October 31, 2013	1.00	—	—	—	—	—	—	1.00	0.01%	2,404,867	0.13%	0.01%	0.28%

(a) Not annualized for periods less than one year. Total return calculations do not include any sales or redemption charges.

(b) Annualized for periods less than one year.

(c) Closed operations on August 10, 2017.

(d) Commencement of operations on July 12, 2016.

Amounts designated as "—" are \$0.00 or have been rounded to \$0.00.

HSBC U.S. TREASURY MONEY MARKET FUND

Financial Highlights

Selected data for a share outstanding throughout the periods indicated.

	Investment Activities					Distributions			Ratios/Supplementary Data				
	Net Asset Value, Beginning of Period	Net Investment Income	Net Realized and Unrealized Gains (Losses) from Investments	Total from Investment Activities	Net Investment Income	Net Realized Gains from Investment Transactions	Total Distributions	Net Asset Value, End of Period	Total Return(a)	Net Assets at End of Period (000's)	Ratio of Expenses to Average Net Assets(b)	Ratio of Net Investment Income to Average Net Assets(b)	Ratio of Expenses to Average Net Assets (Excluding Fee Reductions)(b)
CLASS A SHARES													
Year Ended October 31, 2014(c)	\$ 1.00	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1.00	—%	\$ 191,505	—%	—%	—%
Year Ended October 31, 2013	1.00	—	—	—	—	—	—	1.00	—%	5	0.10%	—%	0.69%
CLASS D SHARES													
Six Months Ended April 30, 2018 (unaudited)	\$ 1.00	0.01	(0.01)	—	—	—	—	\$ 1.00	0.44%	\$ 191,505	0.50%	0.87%	0.53%
Year Ended October 31, 2017	1.00	—	—	—	—	—	—	1.00	0.29%	257,062	0.49%	0.28%	0.55%
Year Ended October 31, 2016	1.00	—	—	—	—	—	—	1.00	—%	214,041	0.28%	—%	0.55%
Year Ended October 31, 2015	1.00	—	—	—	—	—	—	1.00	—%	280,032	0.06%	—%	0.54%
Year Ended October 31, 2014	1.00	—	—	—	—	—	—	1.00	0.01%	638,939	0.06%	—%	0.54%
Year Ended October 31, 2013	1.00	—	—	—	—	—	—	1.00	—%	517,845	0.09%	—%	0.53%
CLASS E SHARES													
October 31, 2016 through August 10, 2017(d)	\$ 1.00	—	—	—	—	—	—	\$ 1.00	0.29%	\$ —	0.25%	0.37%	0.29%
July 12, 2016(e) through October 31, 2016	1.00	—	—	—	—	—	—	1.00	0.11%	1	—%	0.37%	0.33%
CLASS I SHARES													
Six Months Ended April 30, 2018 (unaudited)	\$ 1.00	0.01	—	0.01	(0.01)	—	(0.01)	\$ 1.00	0.62%	\$ 714,116	0.14%	1.26%	0.18%
Year Ended October 31, 2017	1.00	0.01	—	0.01	(0.01)	—	(0.01)	1.00	0.64%	861,944	0.14%	0.65%	0.19%
Year Ended October 31, 2016	1.00	—	—	—	—	—	—	1.00	0.13%	346,399	0.16%	0.13%	0.20%
Year Ended October 31, 2015	1.00	—	—	—	—	—	—	1.00	—%	384,363	0.05%	—%	0.19%
Year Ended October 31, 2014	1.00	—	—	—	—	—	—	1.00	0.01%	263,714	0.06%	0.01%	0.19%
Year Ended October 31, 2013	1.00	—	—	—	—	—	—	1.00	—%	1,086,181	0.09%	—%	0.18%
INTERMEDIARY CLASS SHARES													
Six Months Ended April 30, 2018 (unaudited)	\$ 1.00	0.01	—	0.01	(0.01)	—	(0.01)	\$ 1.00	0.59%	\$ 130,376	0.16%	1.30%	0.33%
Year Ended October 31, 2017	1.00	—	—	—	—	—	—	1.00	0.44%	1	0.18%	0.44%	0.34%
July 12, 2016(e) through October 31, 2016	1.00	—	—	—	—	—	—	1.00	0.11%	1	—%	0.37%	0.38%
INTERMEDIARY SERVICE CLASS SHARES													
Six Months Ended April 30, 2018 (unaudited)	\$ 1.00	0.01	—	0.01	(0.01)	—	(0.01)	\$ 1.00	0.60%	\$ 52,809	0.18%	1.27%	0.38%
Year Ended October 31, 2017	1.00	0.01	—	0.01	(0.01)	—	(0.01)	1.00	0.58%	22,016	0.20%	0.58%	0.40%
July 12, 2016(e) through October 31, 2016	1.00	—	—	—	—	—	—	1.00	0.10%	18,108	0.20%	0.14%	0.48%

HSBC U.S. TREASURY MONEY MARKET FUND

Financial Highlights (continued)

	Investment Activities				Distributions			Ratios/Supplementary Data				
	Net Asset Value, Beginning of Period	Net Investment Income	Net Realized and Unrealized Gains (Losses) from Investments	Total from Investment Activities	Net Investment Income	Net Realized Gains from Investment Transactions	Total Distributions	Net Asset Value, End of Period	Net Assets at End of Period (000's)	Ratio of Net Expenses to Average Net Assets(b)	Ratio of Net Investment Income to Average Net Assets(b)	Ratio of Expenses to Average Net Assets (Excluding Fee Reductions)(b)
CLASS Y SHARES												
Six Months Ended												
April 30, 2018 (unaudited)	\$ 1.00	\$0.01	\$ —	\$0.01	\$ (0.01)	\$—	\$ (0.01)	\$1.00	\$ 1,027,250	0.25%	1.15%	0.28%
Year Ended October 31, 2017	1.00	0.01	—	0.01	(0.01)	—	(0.01)	1.00	1,101,219	0.25%	0.56%	0.29%
Year Ended October 31, 2016	1.00	—	—	—	—	—	—	1.00	697,866	0.25%	0.04%	0.30%
Year Ended October 31, 2015	1.00	—	—	—	—	—	—	1.00	763,473	0.06%	—%	0.29%
Year Ended October 31, 2014	1.00	—	—	—	—	—	—	1.00	956,312	0.06%	0.01%	0.29%
Year Ended October 31, 2013	1.00	—	—	—	—	—	—	1.00	968,290	0.09%	—%	0.28%

(a) Not annualized for periods less than one year. Total return calculations do not include any sales or redemption charges.

(b) Annualized for periods less than one year.

(c) Class A Shares were operational during a portion of the year only. Amounts reflect performance for a period of time the class had operations, which was 201 days during the period. The net asset value reflected represents the last day the class had operations.

(d) Closed operations on August 10, 2017.

(e) Commencement of operations on July 12, 2016. Amounts designated as "—" are \$0.00 or have been rounded to \$0.00.

1. Organization:

The HSBC Funds (the “Trust”), a Delaware statutory trust organized on March 2, 2016, is registered under the Investment Company Act of 1940, as amended (the “Act”), as an open-end management investment company. As of April 30, 2018, the Trust is composed of 11 separate operational funds, each a series of the HSBC Family of Funds. The accompanying financial statements are presented for the following two funds (individually a “Fund”, collectively the “Funds”) of the Trust:

<u>Fund</u>	<u>Short Name</u>
HSBC U.S. Government Money Market Fund	U.S. Government Money Market Fund
HSBC U.S. Treasury Money Market Fund	U.S. Treasury Money Market Fund

Both of the Funds are diversified funds. Financial statements for all other funds of the Trust are published separately.

Both of the Funds are government money market funds (as defined in Rule 2a-7) and seek to maintain a stable net asset value (“NAV”) of \$1.00 per share, although it is possible to lose money by investing in the Funds. The Funds are authorized to issue an unlimited number of shares of beneficial interest with a par value of \$0.001 per share. Each of the Funds has eight classes of shares: Class A Shares, Class C Shares, Class D Shares, Class E Shares, Class I Shares, Intermediary Class Shares, Intermediary Service Class Shares and Class Y Shares. Class C Shares of the Funds are offered without any front-end sales charge but will be subject to a maximum CDSC of 1.00% if redeemed less than one year after purchase. No sales charges are assessed with respect to Class A, Class D, Class E, Class I, Intermediary Class, Intermediary Service Class or Class Y Shares of the Funds. Each class of shares in each Fund has identical rights and privileges, except with respect to arrangements pertaining to shareholder servicing and/or distribution, class-related expenses, voting rights on matters affecting a single class of shares, and exchange privileges.

Under the Trust’s organizational documents, the Trust’s officers and Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Funds. In addition, in the normal course of business, the Trust may enter into contracts with its service providers, which also provide for indemnifications by the Funds. The Funds’ maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Funds. However, based on experience, the Trust believes the risk of loss to be remote.

The Funds are investment companies and follow accounting and reporting guidance under Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 946, “Financial Services-Investment Companies.”

2. Significant Accounting Policies:

The following is a summary of the significant accounting policies followed by the Funds in the preparation of their financial statements. The policies are in conformity with generally accepted accounting principles in the United States of America (“GAAP”). The preparation of financial statements requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

Securities Valuation:

Investments of the Funds, other than investments in other money market funds and repurchase agreements, are valued using the amortized cost method pursuant to Rule 2a-7 under the Act, which approximates fair value. Investments in other money market funds are priced at NAV as reported by such investment companies. Repurchase agreements are valued at original cost. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The valuation techniques used to determine fair value are further described in Note 3 below.

Investment Transactions and Related Income:

Investment transactions are accounted for no later than one business day after trade date. However, for financial reporting purposes, investment transactions are accounted for on trade date. Investment gains and losses are calculated on the identified cost basis. Interest income is recognized on the accrual basis and includes, where applicable, the amortization or accretion of premiums or discounts based on effective yield. Dividend income is recorded on the ex-dividend date.

Restricted Securities:

The Funds may invest in restricted securities. A restricted security is a security which has been purchased through a private offering and cannot be resold to the general public without prior registration under the Securities Act of 1933 (the "1933 Act") or pursuant to the resale limitations provided by Rule 144 under the 1933 Act, or another exemption from the registration requirements of the 1933 Act. Certain restricted securities may be resold in transactions exempt from registration, normally to qualified institutional buyers, and may be deemed liquid by the Investment Adviser (as defined in Note 4) based on procedures established by the Board of Trustees (the "Board"). Therefore, not all restricted securities are considered illiquid. To the extent that a Fund purchases securities that are restricted as to resale or for which current market quotations are not available, such securities will be valued based upon all relevant factors as outlined in Securities and Exchange Commission ("SEC") Financial Reporting Release No. 1. Disposal of restricted securities may involve time consuming negotiations and expense. Prompt sale at the current valuation may be difficult and could adversely affect the net assets of the Funds. At April 30, 2018, there were no restricted securities held by the Funds.

Repurchase Agreements:

The U.S. Government Money Market Fund may enter into repurchase agreements with an entity which is a member of the Federal Reserve System or which is a "primary dealer" (as designated by the Federal Reserve Bank of New York) in U.S. government obligations. The U.S. Government Money Market Fund may also enter into a repurchase agreement with the Federal Reserve Bank of New York. The U.S. Treasury Money Market Fund may temporarily invest in repurchase agreements collateralized by U.S. Treasury Obligations. The repurchase price generally equals the price paid by a Fund plus interest negotiated on the basis of current short-term rates, which may be more or less than the rate on the underlying portfolio securities. The seller, under a repurchase agreement, is required to maintain the collateral held pursuant to the agreement, with a fair value equal to or greater than the repurchase price (including accrued interest). Securities subject to repurchase agreements are held by the Funds' custodian or another qualified custodian or in the Federal Reserve/Treasury book-entry system. Master Repurchase Agreements ("MRA") permit the Fund, under certain circumstances, including an event of default (such as bankruptcy or insolvency), to offset receivables under the MRA with collateral posted by the counterparty and create one net payment due to or from the Fund. However, bankruptcy or insolvency laws of a particular jurisdiction may impose restrictions on or prohibitions against such a right of offset in the event of the MRA counterparty's bankruptcy or insolvency. Pursuant to terms of the MRA, the Fund receives securities as collateral with a market value in excess of the repurchase price to be received by the Fund upon the maturity of the transaction. Upon bankruptcy or insolvency of the MRA counterparty, the Fund would recognize a liability with respect to such excess collateral to reflect the Fund's obligation under bankruptcy law to return the excess to the counterparty. There is potential for loss to a Fund in the event the Fund is delayed or prevented from exercising its rights to dispose of the collateral securities, including the risk of a possible decline in the fair value of the underlying securities during the period while the Fund seeks to assert its rights.

Cash:

Cash is held in deposit accounts at the Funds' custodian bank, The Northern Trust Company, and is a significant portion of the net assets, which may exceed the amount insured by the Federal Deposit Insurance Corporation ("FDIC"). To the extent that such balances exceed FDIC insurance limits, the Funds are subject to the creditworthiness of the custodian bank.

Allocations:

Expenses directly attributable to a Fund are charged to that Fund. Expenses not directly attributable to a Fund are allocated among the applicable series within the Trust in relation to the net assets of each fund, equally to each fund, or another appropriate basis. Class specific expenses are charged directly to the class incurring the expense. In addition, income, expenses (other than class specific expenses), and unrealized and realized gains and losses are allocated to each class based on relative net assets on a daily basis.

Distributions to Shareholders:

Dividends to shareholders of the Funds from net investment income, if any, are declared daily and distributed monthly from each Fund. Distributions from net realized gains, if any, are declared and paid at least annually by the Funds. Additional distributions are also made to the Funds' shareholders to the extent necessary to avoid the federal excise tax on certain undistributed income and net realized gains of regulated investment companies.

Federal Income Taxes:

Each Fund is a separate taxable entity for federal income tax purposes. Each Fund has qualified and intends to continue to qualify each year as a "regulated investment company" under Subchapter M of the Internal Revenue Code, as amended, and to distribute substantially all of its taxable net investment income and net realized gains, if any, to its shareholders. Accordingly, no provision for federal income or excise tax is required for the Funds, although shareholders may be taxed on distributions they receive.

Management of the Funds has reviewed tax positions taken in tax years that remain subject to examination by all major tax jurisdictions, including federal (i.e., the last four tax year ends and the interim tax period since then, as applicable). Management believes that there is no tax liability resulting from unrecognized tax benefits related to uncertain tax positions taken. Management's conclusions may be subject to future review based on changes in, or interpretation of, accounting standards or tax laws and regulations.

3. Investment Valuation Summary

The valuation techniques employed by the Funds, as described below, maximize the use of observable inputs and minimize the use of unobservable inputs in determining fair value. The Funds' investments are classified within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. The inputs used for valuing the Funds' investments are summarized in the three broad levels listed below:

- Level 1—quoted prices in active markets for identical assets
- Level 2—other significant observable inputs (including quoted prices for similar securities, interest rates, prepayments speeds, credit risk, etc.)
- Level 3—significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

Changes in valuation techniques may result in transfers in or out of an assigned level within the fair value hierarchy. The Trust's policy is to disclose transfers between fair value hierarchy levels based on valuations at the end of the reporting period. The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments. There were no transfers during the six-month period ended April 30, 2018.

Investments of the Funds, other than investments in other money market funds and repurchase agreements, are valued using the amortized cost method pursuant to Rule 2a-7 under the Act, which approximates fair value, and are typically categorized as Level 2 in the fair value hierarchy. The amortized cost method involves valuing an instrument at its cost initially and thereafter assuming a constant amortization to maturity of any discounts or premium, regardless of the impact of fluctuating interest rates on the market value of the instrument. The amortized cost method may result in periods during which value, as determined by amortized cost, is higher or lower than the price a Fund holding the instrument would receive if it sold the instrument. The fair value of securities in the Funds can be expected to vary with changes in prevailing interest rates.

Investments in other money market funds are priced at NAV as reported by such money market funds and are typically categorized as Level 1 in the fair value hierarchy.

Repurchase agreements are valued at original cost and are typically categorized as Level 2 in the fair value hierarchy.

The following is a summary of the valuation inputs used as of April 30, 2018 in valuing the Funds' investments based upon the three levels defined above. The breakdown of country descriptions is disclosed in the Schedule of Portfolio Investments for each Fund:

U.S. Government Money Market Fund

Investment Securities:	<u>LEVEL 1 (\$)</u>	<u>LEVEL 2 (\$)</u>	<u>LEVEL 3 (\$)</u>	<u>Total (\$)</u>
U.S. Government and Government Agency Obligations	—	4,005,224,889	—	4,005,224,889
U.S. Treasury Obligations	—	867,134,659	—	867,134,659
Repurchase Agreements	—	4,225,000,000	—	4,225,000,000
Investment Companies	472,323,496	—	—	472,323,496
Total Investment Securities	<u>472,323,496</u>	<u>9,097,359,548</u>	<u>—</u>	<u>9,569,683,044</u>

U.S. Treasury Money Market Fund

Investment Securities:	<u>LEVEL 1 (\$)</u>	<u>LEVEL 2 (\$)</u>	<u>LEVEL 3 (\$)</u>	<u>Total (\$)</u>
U.S. Treasury Obligations	—	2,140,153,974	—	2,140,153,974
Total Investment Securities	<u>—</u>	<u>2,140,153,974</u>	<u>—</u>	<u>2,140,153,974</u>

4. Related Party Transactions and Other Agreements and Plans:

Investment Management:

HSBC Global Asset Management (USA) Inc. ("HSBC" or the "Investment Adviser"), a wholly owned subsidiary of HSBC Bank USA, N.A., a national bank organized under the laws of the United States, acts as Investment Adviser to the Funds. As Investment Adviser, HSBC manages the investments of the Funds and continuously reviews, supervises and administers the Funds' investments pursuant to an Investment Advisory Contract. For its services in this capacity, HSBC receives a fee from each Fund, accrued daily and paid monthly, based on the average daily net assets of each respective Fund, at an annual rate of 0.10%.

HSBC also provides operational support services to the Funds pursuant to an Operational Support Services Agreement. For its services in this capacity, HSBC is entitled to receive a fee, accrued daily and paid monthly, based on the average daily net assets of Class A Shares, Class C Shares, Class D Shares, Intermediary Class Shares, Intermediary Service Class Shares and Class Y Shares, at an annual rate of 0.10%.

The Bank of New York Mellon (the "Servicer") provides recordkeeping, reporting and processing services to the Class I Shares of the Funds. The Servicer is paid by the Investment Adviser and not by the Funds, for these services.

Administration, Fund Accounting and Other services:

HSBC also serves the Funds as Administrator. Under the terms of the Administration Services Agreement, HSBC receives from the Funds (as well as other funds in the Trust combined) a fee, accrued daily and paid monthly, at an annual rate of:

<u>Based on Average Daily Net Assets of</u>	<u>Fee Rate(%)</u>
Up to \$10 billion	0.0400
In excess of \$10 billion but not exceeding \$20 billion	0.0350
In excess of \$20 billion but not exceeding \$50 billion	0.0265
In excess of \$50 billion	0.0245

The fee rates and breakpoints are determined on the basis of the aggregate average daily net assets of the Trust. For the six-month period ended April 30, 2018, the effective annualized rate was 0.038%, prior to any fee waivers or expense reimbursements, based on the average daily net assets of the Trust. The total administration fee paid to HSBC is allocated to each series based upon its proportionate share of the aggregate net assets of the Trust, subject to certain allocations in cases where one fund invests some or all of its assets in another fund.

Pursuant to a Sub-Administration Services Agreement with HSBC, Citi Fund Services Ohio, Inc. ("Citi"), a wholly-owned subsidiary of Citigroup, Inc., serves as the Trust's Sub-Administrator. For these services, Citi is entitled to a fee, payable by HSBC, at an annual rate equivalent to the fee rates set forth above subject to certain reductions associated with services provided to new funds, minus 0.02% which is retained by HSBC.

Under a Services Agreement between the Trust and Citi (the "Services Agreement"), Citi makes an individual available to serve as the Trust's Chief Compliance Officer (the "CCO"). Under the Services Agreement, Citi also provides infrastructure and support in implementing the written policies and procedures comprising the Trust's compliance program, including support services to the CCO. For the services provided under the Services Agreement, the Trust paid Citi \$156,958 for the six-month period ended April 30, 2018, plus reimbursement of certain out-of-pocket expenses. Expenses incurred by each Fund are reflected on the Statements of Operations as "Compliance Services." Citi pays the salary and other compensation earned by individuals performing these services, as employees of Citi.

In addition, Citi provides fund accounting services for each Fund under the Services Agreement. As fund accountant, Citi receives an annual fee per Fund and share class, subject to certain minimums and reimbursements of certain expenses. Citi receives additional fees paid by the Trust for regulatory administration services and money market fund reporting services.

Distribution Arrangements:

Foreside Distribution Services, L.P. ("Foreside"), serves the Trust as Distributor (the "Distributor"). The Trust has adopted a non-compensatory Distribution Plan and Agreement (the "Distribution Plan") pursuant to Rule 12b-1 of the Act. The Distribution Plan provides for reimbursement of expenses incurred by the Distributor related to distribution and marketing, at a rate not to exceed 0.25%, 1.00% and 0.25% of the average daily net assets of Class A Shares (currently not being charged), Class C Shares (currently charging 0.75%) and Class D Shares (currently not being charged) of the Funds, respectively. For the six-month period ended April 30, 2018, Foreside, as Distributor, also received \$189 in commissions from sales of the Trust.

Expenses reduced during the six-month period ended April 30, 2018 are reflected on the Statements of Operations as "Fees voluntarily reduced by Distributor."

Shareholder Servicing:

The Trust has adopted a Shareholder Services Plan, which provides for payments to shareholder servicing agents (which includes HSBC and its affiliates) for providing various shareholder services. As disclosed in the Statements of Operations, for the current fiscal period certain amounts of the Shareholder Servicing Fees have been waived by those shareholder servicing agents, including HSBC and its affiliates. Expenses reduced during the six-month period ended April 30, 2018 are reflected on the Statements of Operations as “Fees voluntarily reduced by Shareholder Servicing Agents.” For performing these services, the shareholder servicing agents are entitled to receive a fee that is computed daily and paid monthly up to the following:

<u>Share Class</u>	<u>Fee Rate(%)</u>
Class A Shares	0.60%*
Class C Shares	0.25%
Class D Shares	0.25%
Class E Shares	0.10%
Intermediary Class Shares	0.05%
Intermediary Service Class Shares.	0.10%

* Currently charging 0.40%

The aggregate fees paid to the Distributor pursuant to the Distribution Plan and to shareholder servicing agents pursuant to the Shareholder Services Plan may not exceed, in the aggregate, the following:

<u>Share Class</u>	<u>Fee Rate(%)</u>
Class A Shares	0.60%
Class C Shares	1.00%
Class D Shares	0.25%
Class E Shares	0.10%
Intermediary Class Shares	0.05%
Intermediary Service Class Shares.	0.10%

The Trust has entered into shareholder services contracts with affiliated and unaffiliated financial intermediaries who provide shareholder services and other related services to their clients or customers who invest in the Funds under which the Funds will pay all or a portion of such fees earned to financial intermediaries for performing such services.

Transfer Agency:

On January 11, 2018, DST Asset Manager Solutions, Inc. (“DST”) (Formerly Boston Financial Data Services, Inc.), announced that SS&C Technologies will acquire DST Systems, Inc., the parent of DST. The purchase is expected to close in the 2nd quarter of 2018. DST provides transfer agency services for each Fund. As transfer agent, DST receives a fee based on the number of funds and shareholder accounts, subject to certain minimums, and reimbursement of certain expenses.

Independent Trustees:

The Trust pays an annual retainer to each Independent Trustee, plus additional annual retainers to each Committee Chair and the Chairman of the Board. The Independent Trustees also receive a fee for each regular, special in-person, and telephonic meeting of the Board attended. The aggregate amount of the fees and expenses of the Independent Trustees are allocated amongst all the funds in the Trust and are presented in the Statements of Operations.

HSBC FAMILY OF FUNDS

Notes to Financial Statements—as of April 30, 2018 (Unaudited) (continued)

Fee Reductions:

The Investment Adviser has agreed to contractually limit through March 1, 2019 the total annual expenses of certain classes of the Funds, exclusive of interest, taxes, brokerage commissions and extraordinary expenses. Each Fund Class has its own expense limitations based on the average daily net assets for any full fiscal year as follows:

<u>Fund</u>	<u>Class</u>	<u>Contractual Expense Limitations(%)</u>
U.S. Government Money Market Fund	E	0.25
U.S. Government Money Market Fund	I	0.20
U.S. Government Money Market Fund	Intermediary Shares	0.18*
U.S. Government Money Market Fund	Intermediary Service Shares	0.20*
U.S. Treasury Money Market Fund.	E	0.25
U.S. Treasury Money Market Fund.	I	0.20
U.S. Treasury Money Market Fund.	Intermediary Shares	0.18*
U.S. Treasury Money Market Fund.	Intermediary Service Shares	0.20*

* Effective December 14, 2017. Prior to December 14, 2017 there was no contractual waiver in place for this class.

Any amounts contractually waived or reimbursed by the Investment Adviser will be subject to repayment by the respective Fund to the Investment Adviser within three years calculated monthly from when the waiver or reimbursement is recorded to the extent that the repayment will not cause the Fund's operating expenses to exceed the contractual expense limit that was in effect at the time of such waiver or reimbursement. As of April 30, 2018, the repayments that may potentially be made by the Funds are as follows:

<u>Fund</u>	<u>2021(\$)</u>
U.S. Government Money Market Fund	68,379
U.S. Treasury Money Market Fund.	69,540

The Administrator and Citi may voluntarily waive/reimburse fees to help support the expense limits of the Funds. In addition, HSBC, in its role as Investment Adviser and Administrator, may waive/reimburse additional fees at its discretion. Any voluntary fee waivers/reimbursements are not subject to recoupment in subsequent fiscal periods. Voluntary waivers/reimbursements may be stopped at any time. Amounts waived/reimbursed by the Investment Adviser Administrator and Citi as Sub-Administrator are reported separately on the Statements of Operations, as applicable.

During the six-month period ended April 30, 2018, the following amounts of expenses were waived:

<u>Fund</u>	<u>Class A (\$)</u>	<u>Class C (\$)</u>	<u>Class D (\$)</u>	<u>Class E (\$)</u>	<u>Class I (\$)</u>	<u>Class Y (\$)</u>	<u>Intermediary Class (\$)</u>	<u>Intermediary Service Class (\$)</u>
U.S. Government Money Market Fund	312	—	249,468	—	1,510,021	278,935	116,113	28,564
U.S. Treasury Money Market Fund	—	—	38,270	—	121,716	171,950	99,289	36,524

The Funds have entered into an arrangement with their custodian whereby credits realized as a result of uninvested cash balances are used to reduce the Funds' custodian expenses. Expenses reduced during the six-month period ended April 30, 2018 are reflected on the Statements of Operations as "Custody earnings credits," as applicable.

Overdraft Facility:

The Funds have entered into an arrangement with their custodian bank (The Northern Trust Company) whereby an uncommitted, secured overdraft facility is made available to meet unanticipated end-of-day liquidity needs of the Funds which cannot be fulfilled by trading activities. The interest rate on overdraft amounts is calculated at an annual rate of 0.50% plus the Federal Funds Rate. The overdraft facility is limited to \$750,000,000 and \$50,000,000 for the U.S. Government Money Market Fund and the U.S. Treasury Money Market Fund, respectively.

5. Federal Income Tax Information:

At April 30, 2018, the cost basis of investments for federal income tax purposes, gross unrealized appreciation, gross unrealized depreciation and net unrealized appreciation/depreciation were as follows:

	Tax Cost (\$)	Tax Unrealized Appreciation (\$)	Tax Unrealized Depreciation (\$)	Net Unrealized Appreciation/Depreciation (\$)
U.S. Government Money Market Fund . . .	9,569,683,044	—	—	—
U.S. Treasury Money Market Fund	2,140,153,974	—	—	—

The tax character of distributions paid by the Funds for the tax year ended October 31, 2017, was as follows:

	Distributions paid from				
	Ordinary Income (\$)	Net Long Term Capital Gains (\$)	Total Taxable Distributions (\$)	Tax Exempt Distributions (\$)	Total Distributions Paid (\$) ⁽¹⁾
	U.S. Government Money Market Fund	62,438,599	—	62,438,599	—
U.S. Treasury Money Market Fund	9,690,876	—	9,690,876	—	9,690,876

(1) Total distributions paid may differ from the amount reported in the Statements of Changes in Net Assets because distributions are recognized when actually paid for tax purposes.

As of the tax year ended October 31, 2017, the components of accumulated earnings/(deficit) on a tax basis for the Funds were as follows:

	Undistributed Ordinary Income (\$)	Undistributed Long Term Capital Gains (\$)	Accumulated Earnings (\$)	Distributions Payable (\$)	Accumulated Capital and Other Losses (\$)	Unrealized Appreciation/Depreciation (\$)	Total Accumulated Earnings/Deficit (\$)
U.S. Government Money Market Fund	3,838,545	12,281	3,850,826	(3,820,227)	—	—	30,599
U.S. Treasury Money Market Fund	388,439	—	388,439	(383,924)	(6,519)	—	(2,004)

HSBC FAMILY OF FUNDS

Notes to Financial Statements— as of April 30, 2018 (Unaudited) (continued)

As of the tax year ended October 31, 2017, the U.S. Treasury Money Market Fund has net capital loss carryforwards (“CLCFs”) not subject to expiration as summarized in the table below. The Board does not intend to authorize a distribution of any realized gain for the Fund until any applicable CLCF has been offset or expires.

	<u>Short Term Amount (\$)</u>	<u>Long Term Amount (\$)</u>	<u>Total (\$)</u>
U.S. Treasury Money Market Fund	6,519	—	6,519

Under current law, capital losses and specified ordinary losses realized after October 31 and non-specified ordinary losses incurred after December 31 (ordinary losses collectively known as “late year ordinary loss”) may be deferred and treated as occurring on the first business day of the following fiscal year. As of the tax year ended October 31, 2017, the Funds had no deferred losses.

The amount and character of net investment income and net realized gains distributed are determined in accordance with federal income tax regulations, which may differ from GAAP. These “book/tax” differences are either considered temporary or permanent in nature. To the extent these differences are permanent in nature (e.g., reclassification of market discounts, certain gain/loss, and certain distributions), such amounts are reclassified within the composition of net assets based on their federal tax-basis treatment; temporary differences (e.g., wash losses and post-October loss deferrals) do not require reclassification. To the extent distributions to shareholders from net investment income and net realized gains exceed net investment income and net realized gains for tax purposes, they are reported as distributions of capital.

6. Significant Shareholders:

Shareholders, including other funds, individuals, and accounts, as well as each Fund’s investment manager(s) and/or investment personnel, may from time to time own (beneficially or of record) a significant percentage of the Fund’s Shares and can be considered to “control” the Fund when that ownership exceeds 25% of the Fund’s assets (and which may differ from control as determined in accordance with GAAP).

The following list includes the Funds which had individual shareholder accounts with ownership of voting securities greater than 10% of the total outstanding voting securities but less than 25% and/or accounts with ownership of voting securities greater than 25% of the total outstanding voting securities. Significant transactions by these shareholder accounts may negatively impact the Funds’ performance.

<u>Fund</u>	<u>Number of shareholders with ownership of voting securities of the Portfolio greater than 10% and less than 25% of the total Portfolio’s outstanding voting securities</u>	<u>% owned in aggregate by 10% - 25% shareholders</u>	<u>Number of shareholders with ownership of voting securities of the Portfolio greater than 25% of the total Portfolio’s outstanding voting securities</u>	<u>% owned in aggregate by greater than 25% shareholders</u>
U.S. Government Money Market Fund	1	16%	1	25% ^(a)
U.S. Treasury Money Market Fund	—	—	1	72% ^(b)

(a) 25% owned by the Investment Adviser or an affiliate

(b) 72% owned by the Investment Adviser or an affiliate

7. Subsequent Events:

Management has evaluated subsequent events through the date these financial statements were issued. Based on the evaluation, no adjustments or additional disclosures were required to the financial statements as of April 30, 2018.

Section 15(c) of the Investment Company Act of 1940, as amended (the "1940 Act"), generally requires that a majority of the trustees of a mutual fund who are not "interested persons" of the fund or the investment adviser, as defined in the 1940 Act (the "Independent Trustees"), review and approve the investment advisory agreement at an in person meeting for an initial period of up to two years and thereafter on an annual basis. A summary of the material factors considered by the Independent Trustees and the Board of Trustees (the "Board") of HSBC Funds (the "Trust") in connection with approving investment advisory and sub-advisory agreements for the series of the Trust (each, a "Fund") and the conclusions the Independent Trustees and Board made as a result of those considerations are set forth below.

Annual Continuation of Advisory and Sub-Advisory Agreements

The Independent Trustees met separately on November 2, 2017 (in person), and the Board met on December 14, 2017 (in person) (each, a "Meeting," and together, the "Meetings") to consider, among other matters, the approval of the continuation of the: (i) Investment Advisory Contract and related Supplements ("Advisory Contracts") between the Trust and the Adviser and (ii) Sub-Advisory Agreements ("Sub-Advisory Contracts" and, together with the Advisory Contracts, the "Agreements") between the Adviser and each investment sub-adviser ("Sub-Adviser") on behalf of one or more of the Funds.

Prior to the Meetings, the Independent Trustees requested, received and reviewed information to help them evaluate the terms of the Agreements. This information included, among other things, information about: (i) the services that the Adviser and Sub-Advisers provide; (ii) the personnel who provide such services; (iii) investment performance, including comparative data provided by Strategic Insight; (iv) trading practices of the Adviser and Sub-Advisers; (v) fees received or to be received by the Adviser and Sub-Advisers, including comparison with the advisory fees paid by other similar funds based on materials provided by Strategic Insight; (vi) total expense ratios, including in comparison with the total expense ratios of other similar funds provided by Strategic Insight; (vii) the profitability of the Adviser and certain of the Sub-Advisers; (viii) compliance-related matters pertaining to the Adviser and Sub-Advisers; (ix) regulatory developments, including rulemaking initiatives of the U.S. Securities and Exchange Commission ("SEC"); and (x) other information regarding the nature, extent and quality of services provided by the Adviser and the Sub-Advisers under their respective Agreements.

The Independent Trustees were separately advised by independent counsel throughout the process, and met with independent counsel in periodic executive and private sessions at which no representatives of management were present, including during the November 2, 2017 Meeting. Prior to voting to continue the Agreements, the Independent Trustees also received a memorandum from their independent counsel discussing the legal standards for their consideration of the proposed continuation of the Agreements.

The Board, including the Independent Trustees, considered and reviewed, among other things: (i) the information provided in advance of the Meetings; (ii) the Funds' investment advisory arrangements and expense limitation agreements with the Adviser; (iii) the Trust's arrangements with the unaffiliated Sub-Adviser to the Trust, Westfield Capital Management Company, LP ("Westfield"); (iv) the Trust's arrangements with the affiliated Sub-Advisers to the Trust, HSBC Global Asset Management (UK) Limited, HSBC Global Asset Management (France) Limited and HSBC Global Asset Management (Hong Kong) Limited; (v) the fees paid to the Adviser pursuant to the Trust's agreements with the Adviser for the provision of various non-advisory services, including the Administration Agreement, Support Services Agreement and Operational Support Services Agreement, and the terms and purpose of these agreements and comparative information about services and fees of other peer funds; (vi) regulatory considerations; (vii) the Adviser's multi-manager function and the level of oversight services provided to the HSBC Opportunity Portfolio; (viii) the Adviser's advisory services with respect to the Funds that are money market funds ("Money Market Funds"); (ix) the Adviser's profitability and direct and indirect expenses; and (x) additional information provided by the Adviser at the request of the Independent Trustees, following the November 2, 2017 Meeting.

In addition, the Board took into consideration its overall experience with the Adviser and the Sub-Advisers, and its experience with them during the prior year, as well as information contained in the various written and oral reports provided to the Board, including but not limited to quarterly performance reports prepared by management containing reviews of investment results and periodic presentations from portfolio managers, product managers

and other senior employees of the Adviser and certain of the Sub-Advisers. As a result of this process, at the in-person meeting held on December 14, 2017, the Board unanimously agreed to approve the continuation of the Agreements with respect to each Fund. The Board reviewed materials and made their respective determinations on a Fund-by-Fund basis.

Nature, Extent, and Quality of Services Provided by Adviser and Sub-Advisers. The Board, including the Independent Trustees, examined the nature, quality and extent of the investment advisory services provided (or to be provided) by the Adviser to the Funds, as well as the quality and experience of the Adviser's personnel.

The Board, including the Independent Trustees, also considered: (i) the long-term relationship between the Adviser and the Funds; (ii) the Adviser's reputation and financial condition; (iii) the assets of the HSBC Family of Funds; (iv) the Adviser's ongoing commitment to implement rulemaking initiatives of the SEC, including the SEC's liquidity risk management and data modernization rules and rule amendments; (v) the business strategy of the Adviser and its parent company and their financial and other resources that are committed to the Funds' business; (vi) the capabilities and performance of the Adviser's portfolio management teams and other personnel; and (vii) the support, in terms of personnel, allocated by the Adviser to the Funds.

With respect to the Money Market Funds, the Board also considered the additional yield support, in the form of additional expense reductions, provided by the Adviser and its affiliates to maintain a competitive yield for the Money Market Funds, and noted the impact of these subsidies and waivers had on the profitability of the Adviser. In addition, the Board considered the Adviser's plans for seeking alternative liquidity options on behalf of the Money Market Funds, including the use of third-party money market funds. Also, the Board considered the Adviser's performance in fulfilling its responsibilities for overseeing its own and the Sub-Advisers' compliance with the Funds' compliance policies and procedures and investment objectives.

The Board, including the Independent Trustees, also examined the nature, quality and extent of the services that the Sub-Advisers provide (or will provide) to their respective Funds. In this regard, the Board considered the investment performance, as described below, and the portfolio risk characteristics achieved by the Sub-Advisers and the Sub-Advisers' portfolio management teams, their experience, and the quality of their compliance programs, among other factors.

Based on these considerations, the Board, including the Independent Trustees, concluded that the nature, quality and extent of the services provided by the Adviser and Sub-Advisers supported continuance of the Agreements.

Investment Performance of the Funds, Adviser and Sub-Advisers. The Board, including the Independent Trustees, considered the investment performance of each Fund (except the HSBC Economic Scale Index Emerging Markets Equity Fund, which had not commenced investment operations at the time of the Meetings) over various periods of time, as compared to one another as well as to comparable peer funds, one or more benchmark indices and other accounts managed by the Adviser and Sub-Advisers.

In the context of the HSBC Opportunity Portfolio, the Board discussed Fund expenses, including the sub-advisory fees paid to Westfield, recent performance, recent performance as compared to the competitive peers of the HSBC Opportunity Portfolio, Westfield's efforts to obtain best execution, and volatility information.

In the context of the HSBC Emerging Markets Debt Fund, HSBC Frontier Markets Fund, HSBC Total Return Fund, HSBC Asia ex-Japan Smaller Companies Equity Fund, HSBC Global Equity Volatility Focused Fund, HSBC Global High Yield Bond Fund, and HSBC Global High Income Bond Fund, the Board evaluated each Fund's performance against the comparative data provided by Strategic Insight. The Independent Trustees also considered the Adviser's commentary on this comparative data.

The Board also considered each Fund's current expense ratios compared to its peers, and the current asset size of each Fund.

For the Money Market Funds, the Board considered the additional yield support that the Adviser had provided in order for the Money Market Funds to maintain positive yield and performance, and that the returns of the Funds were similar to their competitors.

The Board, including the Independent Trustees, considered the Adviser's commitment to continue to evaluate and undertake actions to help generate competitive investment performance. The Board, including the Independent Trustees, concluded that under the circumstances, the investment performance of each Fund was such that each Agreement should continue.

Costs of Services and Profits Realized by the Adviser and Sub-Advisers. The Board, including the Independent Trustees, considered the costs of the services provided by the Adviser and Sub-Advisers and the expense ratios of the Funds more generally. The Board considered the Adviser's profitability and costs, including, but not limited to, an analysis provided by the Adviser of its estimated profitability attributable to its relationship with the Funds. The Board also considered the contractual advisory fees under the Advisory Contracts and compared those fees to the fees of similar funds, which had been compiled and provided by Strategic Insight. The Board determined that, although some competitors had lower fees than the Funds, in general, the Fund's advisory fees were reasonable in light of the nature and quality of services provided, noting the resources, expertise and experience provided to the Funds by the Adviser and Sub-Advisers.

The Board also considered information comparing the advisory fees under the Advisory Contracts with those of other accounts managed by the Adviser.

The Board further considered the costs of the services provided by the Sub-Advisers, as available; the relative portions of the total advisory fees paid to the Sub-Advisers and retained by the Adviser in its capacity as the Funds' investment adviser; and the services provided by the Adviser and Sub-Advisers. In the context of the HSBC Opportunity Portfolio, the Board considered the sub-advisory fee structures, and any applicable breakpoints. In addition, the Board discussed the distinction between the services provided by the Adviser to HSBC Funds with sub-advisers pursuant to the Advisory Contracts and the services provided by the Sub-Advisers pursuant to the Sub-Advisory Contracts. The Board also considered information on profitability where provided by the Sub-Advisers.

The Board, including the Independent Trustees, concluded that the advisory fees payable to the Adviser and the Funds' Sub-Advisers were reasonable in light of the factors set forth above.

Other Relevant Considerations. The Board, including the Independent Trustees, also considered the extent to which the Adviser and Sub-Advisers had achieved economies of scale, whether the Funds' expense structure permits economies of scale to be shared with the Funds' shareholders and, if so, the extent to which the Funds' shareholders may benefit from these economies of scale. The Board also noted the contractual caps on certain Fund expenses provided by the Adviser with respect to many of the Funds in order to reduce or control the overall operating expenses of those Funds and noted the Adviser's entrepreneurial commitment to the Funds. In addition, the Board considered certain information provided by the Adviser and Sub-Advisers with respect to the benefits they may derive from their relationships with the Funds, including the fact that certain Sub-Advisers have "soft dollar" arrangements with respect to Fund brokerage and therefore may have access to research and other permissible services.

In approving the renewal of the Agreements, the Board, including the Independent Trustees, did not identify any single factor as controlling, and generally attributed different weights to various factors for the various Funds. The Board evaluated all information available to them on a Fund-by-Fund basis, and their decisions were made separately with respect to each Fund. In light of the above considerations and such other factors and information it considered relevant, the Board by a unanimous vote of those present in person at the Meeting (including a separate unanimous vote of the Independent Trustees present in person at the Meeting) approved the continuation of each Agreement.

HSBC FAMILY OF FUNDS

Table of Shareholder Expenses—as of April 30, 2018 (Unaudited)

As a shareholder of the Funds, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchases, redemption fees and exchange fees; and (2) ongoing costs, including management fees, distribution fees and other Fund expenses. These examples are intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare the cost with the ongoing costs of investing in other mutual funds.

These examples are based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from November 1, 2017 through April 30, 2018.

Actual Example

The table below provides information about actual account values and actual expenses. You may use the information below, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the table under the heading entitled “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

		Beginning Account Value 11/1/17	Ending Account Value 4/30/18	Expenses Paid During Period* 11/1/17 - 4/30/18	Annualized Expense Ratio During Period 11/1/17 - 4/30/18
U.S. Government Money					
Market Fund	Class A Shares	\$1,000.00	\$1,003.90	\$3.13	0.63%
	Class D Shares	1,000.00	1,004.60	2.39	0.48%
	Class I Shares	1,000.00	1,006.40	0.60	0.12%
	Intermediary Class Shares	1,000.00	1,006.20	0.80	0.16%
	Intermediary Service Class Shares	1,000.00	1,006.10	0.90	0.18%
	Class Y Shares	1,000.00	1,005.80	1.14	0.23%
U.S. Treasury Money					
Market Fund	Class D Shares	1,000.00	1,004.40	2.48	0.50%
	Class I Shares	1,000.00	1,006.20	0.70	0.14%
	Intermediary Class Shares	1,000.00	1,005.90	0.80	0.16%
	Intermediary Service Class Shares	1,000.00	1,006.00	0.90	0.18%
	Class Y Shares	1,000.00	1,005.70	1.24	0.25%

* Expenses are equal to the average account value over the period, multiplied by the Fund’s annualized expense ratio, multiplied by 181/365 (to reflect the one half year period).

Table of Shareholder Expenses— as of April 30, 2018 (Unaudited) (continued)

Hypothetical Example for Comparison Purposes

The table below provides information about hypothetical account values and hypothetical expenses based on each Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges (loads), redemption fees, or exchange fees. Therefore, the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

		Beginning Account Value 11/1/17	Ending Account Value 4/30/18	Expenses Paid During Period* 11/1/17 - 4/30/18	Annualized Expense Ratio During Period 11/1/17 - 4/30/18
U.S. Government Money					
Market Fund	Class A Shares	\$1,000.00	\$1,021.67	\$3.16	0.63%
	Class D Shares	1,000.00	1,022.41	2.41	0.48%
	Class I Shares	1,000.00	1,024.20	0.60	0.12%
	Intermediary Class Shares	1,000.00	1,024.00	0.80	0.16%
	Intermediary Service Class Shares	1,000.00	1,023.90	0.90	0.18%
	Class Y Shares	1,000.00	1,023.65	1.15	0.23%
U.S. Treasury Money					
Market Fund	Class D Shares	1,000.00	1,022.32	2.51	0.50%
	Class I Shares	1,000.00	1,024.10	0.70	0.14%
	Intermediary Class Shares	1,000.00	1,024.00	0.80	0.16%
	Intermediary Service Class Shares	1,000.00	1,023.90	0.90	0.18%
	Class Y Shares	1,000.00	1,023.55	1.25	0.25%

* Expenses are equal to the average account value over the period, multiplied by the Fund’s annualized expense ratio, multiplied by 181/365 (to reflect the one half year period).

HSBC FAMILY OF FUNDS

Additional Information—Results of Special Meeting of Shareholders (Unaudited)

Results of Special Meeting of Shareholders of the HSBC U.S. Government Money Market Fund

A Special Meeting of Shareholders of the HSBC U.S. Government Money Market Fund (the “Fund”) was held on March 9, 2018. The purpose of the Special Meeting was for shareholders to consider a proposal to eliminate one of the Fund’s fundamental investment policies that restricts the Fund’s ability to invest in other investment companies. The results were as follows:

<u>Outstanding Shares</u>	<u>Total Voted</u>	<u>Total For</u>	<u>Total Against</u>	<u>Total Abstain</u>	<u>Result</u>
11,950,033,418	6,292,983,122	5,732,808,737	396,780,918	163,393,466	Approved 3/9/18

Information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30th is available (i) without charge, upon request, by calling 1-800-525-5757 for HSBC Bank USA and HSBC Brokerage (USA) Inc. clients and 1-800-782-8183 for all other shareholders; (ii) on the Funds' website at www.investorfunds.us.hsbc.com; and (iii) on the Security and Exchange Commission's ("Commission") website at <http://www.sec.gov>.

The Funds file their complete schedules of portfolio holdings with the Commission for the first and third quarters of each fiscal year on Form N-Q. The Funds' Forms N-Q are available on the Commission's website at <http://www.sec.gov>. The Funds' Forms N-Q may be reviewed and copied at the Commission's Public Reference Room in Washington, D.C. and information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. The Funds' Schedules of Investments will be available no later than 60 days after each period end, without charge, on the Funds' website at www.investorfunds.us.hsbc.com.

An investment in a Fund is not a deposit of HSBC Bank USA, National Association, and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

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HSBC FAMILY OF FUNDS:

INVESTMENT ADVISER AND ADMINISTRATOR

HSBC Global Asset Management (USA) Inc.
452 Fifth Avenue
New York, NY 10018

SHAREHOLDER SERVICING AGENTS

For HSBC Bank USA, N.A. and
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For All Other Shareholders:

HSBC Funds
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Quincy, MA 02169

DISTRIBUTOR

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Three Canal Plaza, Suite 100
Portland, ME 04101

CUSTODIAN

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