

HSBC Specialist Investment Funds

Annual Short Report

15 September 2013

Important Notes

This Annual Report covers the year 16 September 2012 to 15 September 2013.

Investments in stocks and shares can go down as well as up and investors may not get back the amount they originally invested. This can affect the price of shares within open-ended investment companies and the income from them.

Past performance should not be seen as an indication of future returns.

Your holding in an open-ended investment company must be regarded as a medium to long-term investment; this means for at least five years.

Where overseas securities are held the prices and income may also be affected by changes in currency exchange rates. It is possible that the value of an investment may fall below its original level.

Markets in some countries are described as 'emerging markets'. Some of these may involve a higher risk than where investment is within a more established market. These risks include the possibility of failed or delayed settlement, registration and custody of securities and the level of investor protection offered. Emerging markets are generally, but not exclusively, those that are not within the United States, Canada, Switzerland and members of the European Economic Area, Japan, Australia and New Zealand.

Please note any reference to "Fund" or "Funds" means a sub fund of the Company.

The Company

HSBC Specialist Investment Funds - Registered in England with Company Number IC000074

Registered Office

8 Canada Square, London E14 5HQ

Authorised Corporate Director (ACD) and Head Office

HSBC Global Asset Management (UK) Limited, 78 St James's Street, London SW1A 1EJ

HSBC Global Asset Management (UK) Limited is authorised and regulated by the Financial Conduct Authority and is a member of the Investment Management Association.

Registrar (delegated to HSBC Bank plc)

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Administrator (postal address)

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Auditor

KPMG Audit Plc, Saltire Court, 20 Castle Terrace, Edinburgh EH1 2EG

Depository

State Street Trustees Limited, 525 Ferry Road, Edinburgh EH5 2AW
Authorised and regulated by the Financial Conduct Authority.

Website

www.assetmanagement.hsbc.com/uk

There are risks involved in investing in HSBC Specialist Investment Funds. Please refer to the Prospectus, Key Investor Information Document (KIID) and Supplementary Information Document (SID) for further details.

The information in this report is based on our understanding of current law and HM Revenue and Customs practice as at 15 September 2013. Both law and practice may of course change.

Changes to the Scheme

Directors (Management and Administration)

The Director information has been amended to reflect the following:-

Appointed as Directors of HSBC Global Asset Management (UK) Limited

A. Clark - 3 December 2012

J. Ellerby - 3 December 2012

Resigned as a Director of HSBC Global Asset Management (UK) Limited

S.T. Brown - 3 December 2012

Fund Closure

The UK Smaller Companies Fund was wound up on 21 June 2013, and is no longer available for investment.

Capital Protected Fund – Issue 2 expired on 31 July 2013. This fund is currently being wound up and is no longer available for investment.

Capital Protected Fund – issue 3 expired on 24 September 2012. This fund has been wound up and removed from the Prospectus.

The Protected Growth Funds were also removed from the Prospectus. These Funds have never been offered for investment.

Change of Regulatory Body

The regulatory body for the financial services industry, the Financial Services Authority, was replaced on 1 April 2013 by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA). The Company and the Manager are now authorised and regulated by, the Financial Conduct Authority.

New Definitions

Several new definitions have been added being: "Associate", "HSBC Group" and "US Person".

Protected Cell Company

The ACD has converted the Company to a protected cell company as required by the OEIC Regulations. Conversion to a protected cell company is a mandatory requirement, the objective being that the assets of each sub fund of the company are ring-fenced so that they are identified as belonging exclusively to that Fund and are not used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company, or any other Fund of the Company. At the same time the ACD made changes to allow each sub fund ("Fund") to invest in another Fund within the same Company as permitted by the OEIC Regulations.

Dealing in Shares

Amendments have been made to the Prospectus to allow the ACD to reject applications from residents in countries where the investor is not eligible to hold Shares or for any other prohibited reason under the terms of the Prospectus.

Where we are unable to pay money out to you, for example the proceeds from the sale of Shares for which supporting documentation is needed, the money will be held as client money in a client bank account. No interest will be paid to you in respect of any client money.

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UK Freestyle Fund

Investment Objective

To provide long-term capital growth and income by investing in a concentrated portfolio of predominantly UK equities.

Investment Policy

To invest in a concentrated portfolio of predominantly UK equities, with target delivery of absolute performance regardless of the prevailing market conditions. Stocks are selected regardless of their inclusion in market indices so there are no benchmark constraints.

Investment Strategy

The Fund invests primarily in UK equities. To achieve this it invests across a range of stocks diversified by sectors.

Risk Profile

The performance and value of shares is more volatile than other investments such as cash or bonds.

The Fund has little exposure to credit or cash flow risk. There are no borrowings or unlisted securities of a material nature and so there is little exposure to liquidity risk. The main risk it faces from its financial instruments is market price. The Authorised Corporate Director reviews policies for managing these risks in order to follow and achieve the Investment Objective and Policy as summarised above.

Portfolio Activity

Asset allocation had a positive impact on performance over the reporting period. The overweight position in general retailers and underweight exposure to oil and gas producers added value. Meanwhile, the underweight exposure to media and overweight exposure to oil equipment, services and distribution sector detracted from performance.

Stock selection contributed to relative performance over the reporting period. Stock selection proved positive within the mining and travel and support services segments. However, weak stock selection in the food and drug retailers and oil and general retailers proved detrimental.

Purchases during the year included: Signet Jewelers, Lloyds Banking Group, Howden Joinery Group, Spectris and Prudential.

Sales included: Capita, Morrison (WM) Supermarkets, Virgin Media, Xstrata and HSBC Holdings.

Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.

Distribution

Date paid/ payable	Distribution rate - Retail Income shares	Distribution rate - Retail Accumulation shares
15.11.13	4.105943p	5.242728p
15.11.12	3.951490p	4.873049p

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Income	133.4p	115.6p
Retail Accumulation	170.3p	142.5p

Fund Facts

XD date: 16 September

Distribution payment date: 15 November

Ongoing Charges Figure (OCF)

As at 15.9.13 - 1.65%

As at 15.9.12 - 1.66%

The OCFs shown above are calculated on the Retail Accumulation share class.

Performance Record

Percentage Change

6 months

5.78

1 year

21.90

3 years

35.48

5 years

40.86

Since Launch*

70.30

*The Fund was launched on 1.3.05.

Please note that the above figures refer to the past and that past performance is not a reliable indication of future returns.

Performance is cumulative over the period indicated to 15 September 2013.

(Source: Morningstar Direct, GBP, UK net of tax, for the Retail Accumulation share class. Returns based on the NAV, which is a single price.)

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13
+ HSBC Holdings (London listed)	6.02
Centrica	4.25
Kingfisher	4.24
Resolution	4.12
BG Group	4.03
+ related party	

Holding	% of Fund value as at 15.9.12
+ HSBC Holdings (London listed)	7.92
Barclays	4.34
BHP Billiton	4.15
Petrofac	4.11
Centrica	4.07
+ related party	

Investment Allocation

	15.9.13 %	15.9.12 %
Financials	20.12	18.49
Consumer Services	17.49	17.25
Oil & Gas	14.12	14.97
Consumer Goods	11.25	11.47
Telecommunications	9.92	9.93
Basic Materials	8.83	10.25
Industrials	6.29	5.71
Utilities	4.25	4.07
Healthcare	3.92	3.55
Net other assets	3.81	4.31

European Growth Fund

Investment Objective

To provide long-term capital growth by investing predominantly in continental Europe.

Investment Policy

To invest predominantly in securities in continental European markets.

Investment Strategy

The Fund invests mainly in Europe (excluding UK) equities. To achieve this it invests across a range of stocks diversified by country and sector.

Risk Profile

The Fund invests mainly in European equities. The performance and value of shares is more volatile than other investments such as cash or bonds. Changes in currency rates may also affect performance and value.

The Fund has little exposure to credit or cash flow risk. There are no borrowings or unlisted securities of a material nature and so there is little exposure to liquidity risk. The main risks it faces from its financial instruments are market price and foreign currency. The Authorised Corporate Director reviews policies for managing these risks in order to follow and achieve the Investment Objective and Policy as summarised above.

Portfolio Activity

Asset allocation had a positive effect on performance over the reporting period. The overweight positions in aerospace and defence and technology hardware and equipment added value. Meanwhile, the overweight allocation to oil equipment, services and fixed line telecommunications detracted from performance.

Stock selection had a strong impact on relative performance over the reporting period. Stock selection proved positive within the banks and travel and leisure segments. However, weak stock selection in the technology hardware and equipment and automobiles and parts sectors proved detrimental.

Purchases during the year included: Volkswagen, Societe Generale, AXA, Repsol and Legrand Promesses.

Sales included: ABB, ING Groep certificate, Gemalto, Bezeq The Israeli Telecom, Ericsson, BBV Argentaria and Neopost.

Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.

Distribution

Date paid/ payable	Distribution rate - Retail Income shares	Distribution rate - Retail Accumulation shares
15.11.13	12.304282p	13.562520p
15.11.12	4.099943p	4.484959p

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Income	559.9p	462.8p
Retail Accumulation	616.7p	505.2p

Fund Facts

XD date: 16 September

Distribution payment date: 15 November

Ongoing Charges Figure (OCF)

As at 15.9.13 - 1.70%

As at 15.9.12 - 1.70%

The OCFs shown above are calculated on the Retail Accumulation share class.

Performance Record

Percentage Change

6 months

5.19

1 year

25.14

3 years

21.76

5 years

42.00

10 years

111.63

Please note that the above figures refer to the past and that past performance is not a reliable indication of future returns.

Performance is cumulative over the period indicated to 15 September 2013.

(Source: Morningstar Direct, GBP, UK net of tax, for the Retail Accumulation share class. Returns based on the NAV, which is a single price.)

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13
BNP Paribas	4.47
Societe Generale	4.38
Credit Suisse (registered)	4.35
Volkswagen	4.27
Software AG bearer	4.27

Holding	% of Fund value as at 15.9.12
Credit Suisse (registered)	4.27
CIE Generale de Geophysique	4.15
ABB	4.07
ING Groep certificates	4.06
BNP Paribas	4.05

Country Allocation

	15.9.13 %	15.9.12 %
France	41.20	29.18
Germany	18.24	11.14
Switzerland	15.95	19.21
Ireland	6.18	7.48
Spain	5.02	6.25
Netherlands	3.66	11.76
Italy	3.13	-
Finland	2.06	2.56
Sweden	1.72	3.23
Israel	-	2.55
Portugal	-	2.01
Others	0.50	1.49
Net other assets	2.34	3.14

Asian Growth Fund

Investment Objective

To provide long-term capital growth by investing in the Far East (excluding Japan).

Investment Policy

To invest in a diverse portfolio of securities quoted on Far Eastern stock markets (excluding Japan).

Investment Strategy

The Fund invests mainly in Asia (excluding Japan) equities. To achieve this it invests across a range of stocks diversified by country and sector.

Risk Profile

The Fund invests mainly in Asian equities. The performance and value of shares is more volatile than other investments such as cash or bonds. Changes in currency rates may also affect performance and value.

The Fund has little exposure to credit or cash flow risk. There are no borrowings or unlisted securities of a material nature and so there is little exposure to liquidity risk. The Authorised Corporate Director reviews policies for managing these risks in order to follow and achieve the Investment Objective and Policy as summarised above.

Portfolio Activity

Asset allocation detracted from overall performance over the reporting period. The underweight allocation to Taiwan added value. However, the underweight exposure to Hong Kong and overweight position in cash were detrimental to relative returns.

Stock selection had a negative impact on performance overall, particularly selection within Singaporean and Taiwanese stocks. However, strong selection in Hong Kong and Chinese stock contributed to performance.

Purchases during the year included: DBS Group, BOC Hong Kong Holdings, China Petroleum & Chemical, SK Hynix and Samsung Electronics.

Sales included: Bangkok Bank, Kia Motors, Petrochina, Perusahaan Gas Negara and RHB Capital.

Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.

Distribution

Date paid/ payable	Distribution rate - Retail Income shares	Distribution rate - Retail Accumulation shares
15.11.13	0.828597p	0.901515p
15.11.12	1.153516p	1.264433p

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Income	89.00p	85.43p
Retail Accumulation	96.91p	91.76p

Fund Facts

XD date: 16 September

Distribution payment date: 15 November

Ongoing Charges Figure (OCF)

As at 15.9.13 - 1.90%

As at 15.9.12 - 1.88%

The OCFs shown above are calculated on the Retail Accumulation share class.

Performance Record

Percentage Change

6 months

(8.23)

1 year

8.40

3 years

(3.19)

5 years

43.66

10 years

140.17

Figures in brackets denote negative figures.

Please note that the above figures refer to the past and that past performance is not a reliable indication of future returns.

Performance is cumulative over the period indicated to 15 September 2013.

(Source: Morningstar Direct, GBP, UK net of tax, for the Retail Accumulation share class. Returns based on the NAV, which is a single price.)

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13
Samsung Electronics	6.86
Taiwan Semiconductor Manufacturing	5.38
China Mobile (Hong Kong)	3.96
Hyundai Motor	3.59
CNOOC	2.83

Holding	% of Fund value as at 15.9.12
Samsung Electronics	7.51
Taiwan Semiconductor Manufacturing	3.70
China Mobile (Hong Kong)	3.32
AIA Group	3.16
China Construction Bank	2.91

Country Allocation

	15.9.13 %	15.9.12 %
Korea	24.26	26.12
Hong Kong	18.01	18.52
Taiwan	11.79	10.50
China	11.25	16.06
Cayman Islands	8.72	4.88
Thailand	7.91	5.81
Singapore	6.74	5.93
Indonesia	4.23	4.84
Malaysia	2.00	2.65
Bermuda	1.04	1.36
Net other assets	4.05	3.33

Chinese Equity Fund

Investment Objective

To provide long-term capital growth by investing at least two thirds of its total non-cash assets in a well-diversified portfolio of equities and equity-related securities of companies which have their registered office in, and with an official listing on a major stock exchange or other regulated market of the People's Republic of China, including Hong Kong SAR, as well as those companies which carry out a predominant part of their business activities in China.

Investment Policy

To invest primarily in a diverse portfolio of equities and equity-related securities of companies which have their registered office in, and with an official listing on a major stock exchange or other regulated market of the People's Republic of China ('China'), including Hong Kong SAR, as well as those companies which carry out a predominant part of their business activities in China.

Investment Strategy

The Fund invests in Chinese equities. To achieve this it invests across a range of stocks diversified by sector.

Risk Profile

The Fund invests mainly in Chinese equities.

The performance and value of shares is more volatile than other investments such as cash or bonds. Changes in currency rates may also affect performance and value.

The Fund has little exposure to credit or cash flow risk. There are no borrowings or unlisted securities of a material nature and so there is little exposure to liquidity risk. The main risks it faces from its financial instruments are market price and foreign currency. The Authorised Corporate Director reviews policies for managing these risks in order to follow and achieve the Investment Objective and Policy as summarised above.

Portfolio Activity

Asset allocation had a negative impact on performance over the reporting period. The zero-weighted positions in healthcare and consumer staples added value whilst the underweight allocation to the information technology sector and overweight exposures to energy and cash detracted from performance.

Stock selection contributed to relative performance over the reporting period. Stock selection proved positive within the consumer discretionary and energy segments. However, weak stock selection in the financials and materials sectors proved detrimental.

Purchases during the year included: China Railway Group, Agricultural Bank of China, Chongqing Changan Automobile, Ping An Insurance and CNOOC.

Sales included: China Life Insurance, Huaneng Power, MGM China Holdings, Kunlun Energy Company and China Resources Land.

Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.

Distribution

Date paid/ payable	Distribution rate - Retail Income shares	Distribution rate - Retail Accumulation shares
15.11.13	2.924505p	3.201128p
15.11.12	2.889542p	3.214178p

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Income	286.6p	247.2p
Retail Accumulation	325.6p	277.6p

Fund Facts

XD date: 16 September

Distribution payment date: 15 November

Ongoing Charges Figure (OCF)

As at 15.9.13 - 2.07%

As at 15.9.12 - 2.06%

The OCFs shown above are calculated on the Retail Accumulation share class.

Performance Record

Percentage Change

6 months

0.15

1 year

20.06

3 years

(1.54)

5 years

36.23

10 years

108.99

On 2 February 2009, the Fund ceased to use a Greater China Strategy, and changed to a new Investment Objective, Policy and name. Performance has been calculated from that date.

Figures in brackets denote negative figures.

Please note that the above figures refer to the past and that past performance is not a reliable indication of future returns.

Performance is cumulative over the period indicated to 15 September 2013.

(Source: Morningstar Direct, GBP, UK net of tax, for the Retail Accumulation share class. Returns based on the NAV, which is a single price.)

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13
China Construction Bank	9.22
Industrial & Commercial Bank of China	8.01
China Mobile (Hong Kong)	7.63
Tencent Holdings	7.59
CNOOC	6.92

Holding	% of Fund value as at 15.9.12
China Construction Bank	9.32
China Mobile (Hong Kong)	8.05
Industrial & Commercial Bank of China	7.61
China Life Insurance	5.67
Tencent Holdings	5.12

Investment Allocation

	15.9.13 %	15.9.12 %
Financials	42.35	43.09
Oil & Gas	17.98	13.75
Industrials	11.20	5.56
Technology	8.49	5.96
Telecommunications	7.63	9.58
Consumer Goods	7.13	4.57
Utilities	3.37	3.38
Basic Materials	0.25	7.45
Consumer Services	-	4.88
Net other assets	1.60	1.78

Capital Protected Funds

Investment Objective

To provide, at the end of each “Capital Protected Period”, a return being at least 100% of the value of each share held at the commencement of each Capital Protected Period plus the amount of any initial charge or “Capital Protection Charge”, as appropriate, levied in respect of the relevant Capital Protected Period. In addition, the value of each share shall be increased by, a percentage participation, the “Participation Rate”, in the capital rise, if any, during each Capital Protected Period, in the “Relevant Index”, after allowing for averaging.

Investment Policy

The Fund will hold the Scheme property, during any cash period, in cash, near cash, deposits and/or money market based collective investment schemes until the commencement of the initial Capital Protected Period.

Thereafter the Scheme property will be invested in collateralised derivative instruments (‘the Derivatives’), designed to provide the return, percentage participation and if applicable any Early Release Feature referred to in the Investment Objective of the Fund. After the expiry of the Derivatives, the Scheme property will revert to being held in cash, near cash, deposits, money market instruments and/or money market based collective investment schemes for the duration of any subsequent cash period. Thereafter the Scheme property will again be invested in the Derivatives during any subsequent Capital Protected Period, to meet the Investment Objective of the Fund, with revised parameters specified in the latest Prospectus.

Investment Strategy

The strategy of the Fund is to invest, during the Capital Protected Period, primarily in collateralised derivative instruments (‘the Derivatives’), designed to provide the return referred to in the Investment Objective of the Fund and in cash, near cash, deposits and/or money market based collective investment schemes before and after the Capital Protected Period and after the Early Release Feature is triggered (if applicable).

Risk Profile

The Fund has little exposure to credit or cash flow risk. There are no material borrowings or unlisted securities of a material nature and so there is little exposure to liquidity risk. The main risks it faces from its financial instruments are market price and foreign currency. The Authorised Corporate Director reviews policies for managing these risks in order to follow and achieve the Investment Objective and Policy as summarised above.

Fund Facts

XD date: 16 September

Distribution payment date: 15 November

Ongoing Charges Figure (OCF)

The Fund has incurred no expenses during the period and subsequently no OCF calculation has been performed.

Capital Protected Fund - Issue 4

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	113.2p	108.4p

The Fund was launched on 3 September 2007 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 6yr Autocallable Growth Structure 21 November 2013	99.98	+ 6yr Autocallable Growth Structure 21 November 2013	99.98
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	99.98	Other investments	99.98
Net other assets	0.02	Net other assets	0.02

Capital Protected Fund - Issue 5

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	117.0p	110.0p

The Fund was launched on 5 November 2007 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 6yr Autocallable Growth Structure 3 February 2014	100.00	+ 6yr Autocallable Growth Structure 3 February 2014	100.00
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	100.00	Other investments	100.00
Net other assets	-	Net other assets	-

Capital Protected Fund - Issue 6

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	115.9p	110.0p

The Fund was launched on 21 January 2008 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 6yr Autocallable Growth Structure 4 April 2014	99.99	+ 6yr Autocallable Growth Structure 4 April 2014	99.99
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	99.99	Other investments	99.99
Net other assets	0.01	Net other assets	0.01

Capital Protected Fund - Issue 7

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	120.3p	112.4p

The Fund was launched on 17 March 2008 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 6yr Autocallable Growth Structure 13 June 2014	99.99	+ 6yr Autocallable Growth Structure 13 June 2014	99.99
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	99.99	Other investments	99.99
Net other assets	0.01	Net other assets	0.01

Capital Protected Fund - Issue 8

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	105.9p	106.9p

The Fund was launched on 14 April 2008 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 6yr Autocallable Growth Structure 10 July 2014	99.99	+ 6yr Autocallable Growth Structure 10 July 2014	99.99
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	99.99	Other investments	99.99
Net other assets	0.01	Net other assets	0.01

Capital Protected Fund - Issue 9

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	131.5p	118.7p

The Fund was launched on 27 May 2008 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 6yr Autocallable Growth Structure 29 August 2014	99.99	+ 6yr Autocallable Growth Structure 29 August 2014	99.99
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	99.99	Other investments	99.99
Net other assets	0.01	Net other assets	0.01

Capital Protected Fund - Issue 10

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	135.9p	134.5p

The Fund was launched on 30 June 2008 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 6yr Autocallable Growth Structure 3 October 2014	100.00	+ 6yr Autocallable Growth Structure 3 October 2014	100.00
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	100.00	Other investments	100.00
Net other assets	-	Net other assets	-

Capital Protected Fund - Issue 11

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	164.9p	147.3p

The Fund was launched on 26 August 2008 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 6yr Autocallable Growth Structure 21 November 2014	100.00	+ 6yr Autocallable Growth Structure 21 November 2014	100.00
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	100.00	Other investments	100.00
Net other assets	-	Net other assets	-

Capital Protected Fund - Issue 12

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	160.3p	150.8p

The Fund was launched on 29 September 2008 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 6yr Autocallable Growth Structure 30 January 2015	100.00	+ 6yr Autocallable Growth Structure 30 January 2015	100.00
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	100.00	Other investments	100.00
Net other assets	-	Net other assets	-

Capital Protected Fund - Issue 13

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	144.0p	133.6p

The Fund was launched on 22 October 2008 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 6yr Autocallable Growth Structure 6 February 2015	99.99	+ 6yr Autocallable Growth Structure 6 February 2015	100.00
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	99.99	Other investments	100.00
Net other assets	0.01	Net other assets	-

Capital Protected Fund - Issue 14

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	141.1p	130.0p

The Fund was launched on 1 December 2008 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 6yr Autocallable Growth Structure 27 February 2015	100.00	+ 6yr Autocallable Growth Structure 27 February 2015	100.00
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	100.00	Other investments	100.00
Net other assets	-	Net other assets	-

Capital Protected Fund - Issue 15

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	125.8p	115.7p

The Fund was launched on 16 March 2009 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 6yr Autocallable Growth Structure 19 June 2015	100.00	+ 6yr Autocallable Growth Structure 19 June 2015	99.86
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	100.00	Other investments	99.86
Net other assets	-	Net other assets	0.14

Capital Protected Fund - Issue 16

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	120.6p	111.6p

The Fund was launched on 8 June 2009 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 6yr Autocallable Growth Structure 11 September 2015	100.00	+ 6yr Autocallable Growth Structure 11 September 2015	100.00
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	100.00	Other investments	100.00
Net other assets	-	Net other assets	-

Capital Protected Fund - Issue 17

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	119.3p	111.5p

The Fund was launched on 24 August 2009 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 6yr Autocallable Growth Structure 20 November 2015	99.98	+ 6yr Autocallable Growth Structure 20 November 2015	100.00
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	99.98	Other investments	100.00
Net other assets	0.02	Net other assets	-

Capital Protected Fund - Issue 18

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	118.2p	112.1p

The Fund was launched on 8 February 2010 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 5.5yr Autocallable Growth Structure 9 November 2015	100.00	+ 5.5yr Autocallable Growth Structure 9 November 2015	100.00
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	100.00	Other investments	100.00
Net other assets	-	Net other assets	-

Capital Protected Fund - Issue 19

Fund Prices

Share class	Net asset value per share as at 13.9.13	Net asset value per share as at 14.9.12
Retail Accumulation	119.1p	113.0p

The Fund was launched on 26 April 2010 at 100p.

Portfolio Information

Major Holdings

The Fund's five largest holdings, or holdings above 5%, at the end of this year and the previous year are shown below.

Holding	% of Fund value as at 15.9.13	Holding	% of Fund value as at 15.9.12
+ 5.5yr Autocallable Growth Structure 18 January 2016	100.00	+ 5.5yr Autocallable Growth Structure 18 January 2016	100.00
+ related party			
Investment Allocation	15.9.13		15.9.12
	%		%
Other investments	100.00	Other investments	100.00
Net other assets	-	Net other assets	-

Corporate Shareholders

All Funds in this OEIC have a 100% franked distribution on their annual consolidated tax voucher, except the Capital Protected Funds which had no revenue to distribute for the period.

Risk and Reward Profile

Fund	Rating*	<div> <div>Lower risk</div> <div>Higher risk</div> </div> <div> <div>←</div> <div>→</div> </div> <div> <div>Typically lower rewards</div> <div>Typically higher rewards</div> </div> <div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> </div>	
UK Freestyle Fund	6		
European Growth Fund	6		
Asian Growth Fund	6		
Chinese Equity Fund	7		
Capital Protected Fund - Issue 4	1		
Capital Protected Fund - Issue 5	1		
Capital Protected Fund - Issue 6	1		
Capital Protected Fund - Issue 7	1		
Capital Protected Fund - Issue 8	1		
Capital Protected Fund - Issue 9	1		
Capital Protected Fund - Issue 10	1		
Capital Protected Fund - Issue 11	1		
Capital Protected Fund - Issue 12	1		
Capital Protected Fund - Issue 13	1		
Capital Protected Fund - Issue 14	1		
Capital Protected Fund - Issue 15	1		
Capital Protected Fund - Issue 16	1		
Capital Protected Fund - Issue 17	1		
Capital Protected Fund - Issue 18	1		
Capital Protected Fund - Issue 19	1		

*More About This Rating

The rating is based on price volatility over the last five years, and is an indicator of absolute risk. Historical data may not be a reliable indication for the future. The rating is not guaranteed to remain unchanged and the categorisation may shift over time. The lowest rating does not mean a risk-free investment.

For further information on the specific risks applicable to each Fund please visit www.assetmanagement.hsbc.com/uk.

General Information

Published Prices

The prices of shares are updated daily on the following websites:

www.assetmanagement.hsbc.com/uk or and www.investinginfunds.org/ways-to-buy-and-sell-funds.html.

Alternatively you can call our Investments Helpline on 0845 745 6123* (Textphone 0845 766 0391).

*To help us continually improve our service, and in the interests of security, we may monitor and/or record your communications with us. Lines are open Monday to Friday from 8am to 6pm, excluding public holidays.

Report and Accounts

The Authorised Corporate Director (ACD) is HSBC Global Asset Management (UK) Limited which is the sole director.

HSBC Global Asset Management (UK) Limited is authorised and regulated by the Financial Conduct Authority.

HSBC Global Asset Management (UK) Limited - Directors

S.T. Brown (resigned 3 December 2012)

S. Chandrasekharan

C.S. Cheetham

A.S. Clark (appointed 3 December 2012)

A.C. Corfield

J. Ellerby (appointed 3 December 2012)

E.R. Stokes

Quick Reference Guide to HSBC Specialist Investment Funds

Name of OEIC Fund	UK Freestyle	European Growth	Asian Growth	Chinese Equity	Capital Protected Issues 4 -19 [#]
Number of distributions per year	1	1	1	1	1
Distribution dates	15 Nov	15 Nov	15 Nov	15 Nov	15 Nov
Lump sum minimum investment level	£1,000	£1,000	£1,000	£1,000	£1,000 [#]
Regular Saver minimum investment level	£50	£50	£50	£50	N/A
Authorised Corporate Director charge % †	1.50	1.50	1.50	1.50	0.00
Available as an ISA	Yes	Yes	Yes	Yes	Yes
In ISA can income be paid	No	No	No	No	No
Income shares available	Yes	Yes	Yes	Yes	No
Accumulation shares available	Yes	Yes	Yes	Yes	Yes
Historic research of files*	£25 per hour including VAT - all Funds				
Duplicate tax voucher*	£5 per voucher including VAT - all Funds				
Duplicate tax vouchers* (more than one)	£25 per voucher including VAT - all Funds				
European Savings Directive in scope for distributions/redemptions	No/No	No/No	No/No	No/No	No/No

* Charges for additional services. The ACD reserves the right to apply these charges and amend them subject to the annual rate of the Retail Price Index.

† This information relates to the retail share classes.

Funds closed to new investment.

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www.assetmanagement.hsbc.com/uk

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