

# HSBC Global Investment Funds

## Global Emerging Markets Local Debt

**VISA 2009/54489-256-94-PS**

L'apposition du visa ne peut en aucun cas servir  
d'argument de publicité  
Luxembourg, le 16/10/2009  
Commission de Surveillance du Secteur Financier



## Global Emerging Markets Local Debt

### Important information

This simplified prospectus contains key information in relation to the Sub-Fund. If you would like more information before you invest, please consult the most recent full prospectus (the "Full Prospectus"). Unless defined in this document, defined terms shall bear the same meaning as in the Full Prospectus. For details about the Sub-Fund's holdings, please see the most recent report.

HSBC Global Investment Funds – Global Emerging Markets Local Debt (hereinafter the "Sub-Fund") is a sub-fund of HSBC Global Investment Funds (hereinafter the "Company"). The Company is a Luxembourg investment company with multiple compartments organised as a "*société anonyme*" incorporated on 21 November 1986.

The Company exists for an unlimited period and qualifies as an undertaking for collective investment in transferable securities under Part I of the Luxembourg law of 20 December 2002 on undertakings for collective investment, as amended (the "2002 Law").

The rights and duties of the investor as well as the legal relationship with the Company are laid down in the Full Prospectus. The Full Prospectus and the periodical reports may be obtained, free of charge, from the Company.

### What does the Sub-Fund invest in?

#### Investment objective

The Sub-Fund invests primarily for total return through a diversified portfolio of Investment Grade and Non-Investment Grade rated fixed income (e.g. bonds) and other similar securities. These securities are issued or guaranteed by governments or government agencies or supranational bodies of Emerging Markets or companies which have their registered office in Emerging Markets. Such securities will be primarily denominated in local currency. On an ancillary basis, the Sub-Fund may consider investments in securities denominated in USD and those of other OECD countries.

The Sub-Fund may also invest in financial derivative instruments such as futures, forwards (including non-deliverable forwards), swaps, options, credit default swaps, as well as other structured products. The Sub-Fund intends to use such financial derivative instruments for, *inter alia*, return enhancement, hedging, tax-advantage access to instruments and whenever the Investment Adviser believes the investment in financial derivative instruments will assist the Sub-Fund in achieving its investment objectives.

The global exposure relating to the use of financial derivative instruments shall not exceed the total net asset value of the Sub-Fund. The global exposure relating to financial derivative instruments will be calculated using a Value-at-Risk approach.

### Launch date

30 July 2007

### Base currency

US Dollar

### Who should invest in the Sub-Fund?

#### Profile of the typical investor

The Sub-Fund (being in a Dynamic category) is suitable for investors with a long term investment horizon. The Sub-Fund is intended to provide additional exposure for more experienced investors within portfolio where high proportion of the assets may be invested in Emerging Markets and smaller capitalisation securities, which may restrict liquidity and increase the volatility of returns.

To determine if the Sub-Fund is suitable, it is recommended that the investor consult a stockbroker, bank manager, solicitor, accountant, representative bank or other financial adviser.

### What are the risks of investing in the Sub-Fund?

#### Risk Profile

Investment in the Sub-Fund carries with it a degree of risk, but not limited to, those referred to below. Potential investors should review the Full Prospectus in its entirety and have a clear picture of the Sub-Fund prior to a decision to invest. There can be no assurance that the Sub-Fund will achieve its investment objectives and past performance should not be seen as a guide to future returns.

##### Interest rate risk

The Sub-Fund is exposed to bond markets for all or part of its total assets. The value of these assets may rise or fall and is strongly affected by interest rate fluctuations.

##### Credit risk

The Sub-Fund is exposed to credit risk for all or part of its total assets. The value of these assets may rise or fall and is strongly affected by changes in the credit ratings of the underlying issuer of the security.

##### Foreign exchange risk

The Sub-Fund is exposed to foreign exchange risk for all or part of its total assets. The underlying assets may be denominated in a currency other than the dealing currency. The value of these assets may rise or fall in line with movements in the relevant exchange rates.

▪ **Derivative risk**

The price of a financial derivative instrument (FDI) can be very volatile. This is because a small movement in the price of the underlying financial instrument may result in a substantial movement in the price of the FDI. Investment in FDIs may result in losses in excess of the amount invested.

▪ **Emerging Markets**

Because of the special risks associated with investing in Emerging Markets, the Sub-Fund investing in such securities should be considered speculative. Investors in the Sub-Fund are advised to consider carefully the special risks of investing in Emerging Market securities. Economies in Emerging Markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be affected adversely by economic conditions in the countries in which they trade.

Brokerage commissions, custodial services and other costs relating to investment in Emerging Markets generally are more expensive than those relating to investment in more developed markets. Lack of adequate custodial systems in some markets may prevent investment in a given country or may require the Sub-Fund to accept greater custodial risks in order to invest, although the Custodian will endeavour to minimise such risks through the appointment of correspondents that are international, reputable and creditworthy financial institutions. In addition, such markets have different settlement and clearance procedures. In certain markets there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. The inability of the Sub-Fund to make intended securities purchases due to settlement problems could cause the Sub-Fund to miss attractive investment opportunities. Inability to dispose of a portfolio security caused by settlement problems could result either in losses to the Sub-Fund due to subsequent declines in value of the portfolio security or, if the Sub-Fund has entered into a contract to sell the security, could result in potential liability to the purchaser.

The risk also exists that an emergency situation may arise in one or more developing markets as a result of which trading of securities may cease or may be substantially curtailed and prices for the Sub-Fund's securities in such markets may not be readily available.

Investors should note that changes in the political climate in Emerging Market countries may result in significant shifts in the attitude to the taxation of foreign investors. Such changes may result in changes to legislation, the interpretation of legislation, or the granting of foreign investors the benefit of tax exemptions or international tax treaties. The effect of such changes can be retrospective and can (if they occur) have an adverse impact on the investment return of shareholders in the Sub-Fund so affected.

**Further details are provided in the Full Prospectus.**

## Share Class Information

The following Share Classes may be issued:

<b>A Shares:</b>	are available to all investors.
<b>E Shares:</b>	will be available in certain countries, subject to the relevant regulatory approval, through specific distributors selected by the Distributor. E Shares will incur annual management fees equivalent to that of the Class A Shares plus 0.3% to 0.5% per annum of the net asset value of Class E Shares, which may be payable to specific distributors in certain countries.
<b>I Shares:</b>	are available through specific distributors selected by the Distributor.
<b>J Shares:*</b>	are available for investment by fund of fund ranges managed by the HSBC Group only.
<b>P Shares:</b>	are available for subscription in certain jurisdictions or through certain distributors selected by the Distributor.
<b>W Shares:</b>	are available through specific distributors that will also be members or affiliated entities of the HSBC Group as selected by the Distributor provided that the investors qualify as institutional investors within the meaning of article 129 of the 2002 Law. No operating, administrative and servicing expenses will be charged to Class W Shares. All the fees and charges allocated to this Class will be paid directly by members or affiliated entities of the HSBC Group.
<b>X Shares:</b>	are available through specific distributors selected by the Distributor provided that the investors qualify as institutional investors within the meaning of article 129 of the 2002 Law and fall into one of the following categories: companies or company pension funds, insurance companies or registered charities company.
<b>Z Shares:</b>	are available to investors having entered into a discretionary management agreement with an HSBC Group entity and to investors subscribing via distributors selected by the Distributor provided that such investors qualify as institutional investors within the meaning of article 129 of the 2002 Law.

\* Successive Classes J in a given sub-fund are numbered 1, 2, 3... and will be referred to as J1, J2, J3... (see section entitled "Charges and Expenses" in the Full Prospectus for further details)

Within each share Class of a sub-fund, separate currency hedged Classes may be issued (suffixed by "H" and the currency into which the Base Currency is hedged e.g. "HEUR" or "HGBP"). For any hedged Class launched after 1 December 2008, the Administration Agent is entitled to any fees relating to the execution of the currency hedging policy, which will be borne by the relevant currency hedged Class. These fees are in addition to the operating, administrative and servicing expenses detailed under Section 2.8 (4) of the Full Prospectus.

## Distribution Policy

The Company issues Distribution and Capital-Accumulation Shares in different Classes:

- **Capital-Accumulation Shares** are identifiable by a "C" following the sub-fund and Class names and do not pay any dividends.
- **Distribution Shares** are identifiable by a "D" following the sub-fund and Class names. The distribution policy of the Distribution Shares can be summarised as follows:

Dividends will be declared separately in respect of each Distribution Class of each sub-fund by the meeting of shareholders of the relevant Class of Shares of the relevant sub-fund at the end of each financial year. The board of directors of the Company may declare interim dividends in respect of certain sub-funds.

Dividends will be announced in the financial press. Payment of dividends will be made within six weeks of such declaration to holders of Shares in the respective sub-funds at the dividend record date as stated in such resolution.

## Fees and Expenses

Share Class	Management Fee (%)*	Operating, Administration and Servicing Fee (%)*	Total Expense Ratio (%) (including transaction costs)*
<b>Class A</b>	1.25	0.35	1.60
<b>Class E</b>	1.55	0.35	1.90
<b>Class I</b>	0.625	0.25	0.875
<b>Class J**</b>	0.60	0.25	0.85
<b>Class P</b>	n/a	n/a	n/a
<b>Class W</b>	n/a	n/a	n/a
<b>Class X</b>	0.60	0.20***	0.80***
<b>Class Z</b>	0.00	0.25	0.25

\* Of the net asset value.

\*\* The Management Company is also entitled to a Performance Fee as further detailed in the Full Prospectus. It is not currently the intention of the Management Company to charge a Performance Fee for Class J Shares.

\*\*\* This percentage is a maximum. The amount paid will be disclosed in the semi-annual and annual reports of the Company.

## Shareholders Expenses

<b>Subscription charge:</b>	Up to 5.54% of the net asset value per Share adjusted by the pricing adjustment, applicable to all Classes of Shares (the "Offer Price").
<b>Conversion charge:</b>	Up to 1.00% of the value of the Shares converted, applicable to all Classes of Shares.
<b>Redemption charge:</b>	None.
<b>Additional charge:</b>	<p><u>Pricing Adjustment as from 1 February 2010</u></p> <p>If it is in the interests of shareholders, when the net capital flows in the Sub-Fund exceeds a predefined threshold agreed from time to time by the board of directors, the net asset value per Share may be adjusted by a maximum of 2% in order to mitigate the effects of transaction costs, in particular but not exclusively, bid-offer spreads, brokerage and taxes on transactions. The adjustment of the net asset value per Share will apply equally to each Class of Share in the Sub-Fund on any particular valuation. For the avoidance of doubt it is clarified that fees and expenses will continue to be calculated on the basis of the unadjusted net asset value.</p> <p><u>Prevention of market timing practices</u></p> <p>A charge of up to 2.00% of the net asset value of the Shares redeemed or exchanged where the board of directors believes that an investor has engaged in market timing activity or active trading as further detailed in the Full Prospectus.</p>

## Taxation of Shareholders / the Company

Prospective investors should ascertain from their professional advisers the consequences to them of acquiring, holding, redeeming, transferring, selling or converting Shares under the relevant laws of the jurisdictions to which they are subject, including the tax consequences and any exchange control requirements.

Under current law and practice, the Company is not liable to any Luxembourg income tax. However, pursuant to the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income implemented in the Luxembourg law by a law of 21 June 2005, a withholding tax may be applicable as from 1 July 2005. Further details are provided in the Full Prospectus. The Company is liable to annual tax in Luxembourg ("*taxe d'abonnement*") calculated at the rate of 0.05% per annum of its net asset value, and at the rate of 0.01% per annum of the net asset values of the sub-funds or Classes of Shares reserved to institutional investors within the meaning of article 129 of the 2002 Law and Reserve sub-funds. This tax is calculated at the end of the quarter to which the tax relates and payable quarterly.

No stamp duty or other tax is payable in Luxembourg in connection with the issue of Shares of the Company.

## Price publication

The prices for Shares are available at the offices of the Company, the Distributor and of the local agents as detailed in the Full Prospectus. The Redemption Price is published on each Dealing Day, in the relevant currencies in various international publications and on data providers websites and platforms.

The prices are calculated on each Dealing Day on the basis of the net asset value of the relevant Class of Shares of the Sub-Fund in its relevant currencies. The redemption price is equal to the net asset value per Share adjusted by the pricing adjustment, as fully described above (the "Redemption Price").

**Further details are provided in the Full Prospectus.**

## How to buy / sell /convert Shares

Applications for subscription / redemption / conversion of Shares of any sub-fund may be made to the Company either directly to the Registrar and Transfer Agent or through an appointed distributor before the appropriate dealing cut-off times on a Dealing Day as set forth below, in order to be dealt with on that specific Dealing Day.

A Dealing Day is any day on which banks are open for normal banking business in Luxembourg ("Business Day") (other than days during a period of suspension of dealing in Shares) and which is also a day where stock exchanges and regulated markets in countries where the Sub-Fund is materially invested are open for normal trading.

Until 1 February 2010, for sub-funds materially invested in North or South American markets, a Dealing Day means any Business Day (other than days during a period of suspension of dealing in Shares) except a Business Day following the day where stock exchanges and regulated markets in such countries were closed for normal trading.

The Business Days, which are not Dealing Days, will be listed in the annual and semi-annual reports and available at the registered office of the Company. The non-dealing days are listed in the annual and semi-annual reports and are available at the registered office of the Company.

Investors buying Shares for the first time should complete an application form. Any subsequent purchase or any redemption of Shares can be made by letter, fax or following prior agreement by telephone, the latter requiring confirmation in writing.

### Instructions to buy, sell and switch Shares should be addressed to:

RBC Dexia Investor Services Bank S.A.

14, Porte de France, L-4360 Esch-sur-Alzette, Grand Duchy of Luxembourg

Tel: +(352) 26059553, Fax: +(352) 24609500

Dealing cut-off times at place of issue of orders:

- **Hong Kong:** 4.00 p.m. Hong Kong time on a business day in Hong Kong;
- **Jersey:** 5.00 p.m. Jersey time on a business day in Jersey prior to the Dealing Day;
- **Poland:** 10.00 a.m. Poland time on a business day in Poland;
- **Rest of the World:** 10.00 a.m. Luxembourg time on a Dealing Day.

Settlement may be made by cheque, banker's draft or electronic transfer, net of bank charges to the relevant correspondent bank(s) quoting the applicant's name and stating the appropriate sub-fund into which settlement monies are paid within four days (which are Business Days and days during which the banks in the principal financial centre for the Dealing Currency of the relevant Share Class are open for business) after application.

Shares are provisionally allotted but not allocated until cleared funds have been received by the Company or to its order.

Contract Notes and, for those who have not completed an application form, registration slips, are posted to the investor on the allotment of Shares.

**Further details are provided in the Full Prospectus.**

### Subscription and Redemption Information

Share Class	Minimum Initial Investment		Minimum Holding	
<b>Class A</b>	USD	5,000	USD	5,000
<b>Class E</b>	USD	5,000	USD	5,000
<b>Class I</b>	USD	1,000,000	USD	1,000,000
<b>Class J</b>	USD	100,000	USD	100,000
<b>Class P</b>	USD	50,000	USD	50,000
<b>Class W</b>	USD	100,000	USD	100,000
<b>Class X</b>	USD	10,000,000	USD	10,000,000
<b>Class Z</b>	USD	1,000,000	USD	1,000,000

There is no requirement on minimum subsequent investment. All figures shall be construed to refer to equivalent amounts in other major currencies. Not all Share Classes are available in all jurisdictions.

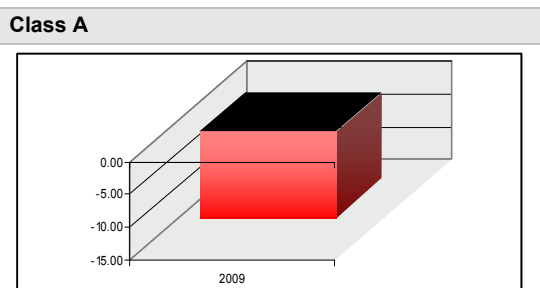
### Available Dealing Currencies and Share Classes

Investors can buy Shares and make their payments either in the Base Currency or in the following Dealing Currency: Euro, Pound Sterling, Singapore Dollar and US Dollar. Australian Dollar, Canadian Dollar and Polish Zloty are available as Dealing Currencies in certain Classes or through selected distributors and/or in certain countries. Other Dealing Currencies may be available on application to the Company.

The necessary foreign exchange transactions are arranged by the Distributor or the Registrar and Transfer Agent for the account of, and at the expense of, the applicant at prevailing exchange rates on the relevant Dealing Day.

Share Class	ISIN Codes	
<b>Class A</b>	AC	LU0234585437
	AD	LU0234592995
<b>Class E</b>	EC	LU0234593530
	ED	LU0234593704
<b>Class I</b>	IC	LU0234594009
	ID	LU0234594348
<b>Class J</b>	J1C	LU0310513980
	J1D	LU0310514012
<b>Class P</b>	n/a	n/a
<b>Class W</b>	n/a	n/a
<b>Class X</b>	XC	LU0404504911
	XD	LU0404505058
<b>Class Z</b>	ZC	LU0234594694
	ZD	LU0234594850

### Annual Performance



Calculation date: 31 March 2009  
Currency: Base Currency

The historical performance of other Classes is similar but may vary according to the amount of fees charged or as a result of other specific features such as their dividend policy. Historical performance may also vary as a result of the currency denomination or hedging policy applicable in relation to any specific Class.

The historical performance of the other Classes is available at the registered office of the Management Company.

**Please note that past performance is not a guide to future performance. Investors may not get back the full amount invested, as prices of Shares and the income from them may fall as well as rise.**

## Annualized turnover

Calculation date: 31 March 2009  
2.6 %\*

\* Calculated in accordance with the provisions of the CSSF Circular 03/122 of 19 December 2003.

## Additional Information

### Management Company

HSBC Investment Funds (Luxembourg) S.A.  
16, boulevard d'Avranches, L-1160 Luxembourg, Grand Duchy of Luxembourg

### Registrar and Transfer Agent

RBC Dexia Investor Services Bank S.A.  
14, Porte de France, L-4360 Esch-sur-Alzette, Grand Duchy of Luxembourg  
Tel: +(352) 26059553 - Fax: +(352) 24609500

### Distributor

HSBC Investment Funds (Luxembourg) S.A.  
16, boulevard d'Avranches, L-2163 Luxembourg, Grand Duchy of Luxembourg

### Custodian and Administration Agent / Central Paying Agent

RBC Dexia Investor Services Bank S.A.  
14, Porte de France, L-4360 Esch-sur-Alzette, Grand Duchy of Luxembourg

### Investment Adviser

Halbis Capital Management (USA) Inc.  
452 Fifth Avenue, 18<sup>th</sup> Floor, New York, NY 10018, USA

### Paying Agent in Hong Kong

The Hongkong and Shanghai Banking Corporation Limited  
HSBC Main Building, 1 Queen's Road Central, Hong Kong

### Representative and Paying Agent in Poland

ProService Agent Transferowy Sp. z o.o.  
Pulawska 436, 02-801 Warszawa, Poland

### Auditors

KPMG Audit, Réviseurs d'Entreprises  
9, allée Scheffer, L-2520 Luxembourg, Grand Duchy of Luxembourg

### Legal Advisers

Elvinger Hoss & Prussen  
2, Place Winston Churchill, L-1340 Luxembourg, Grand Duchy of Luxembourg

### Registered Office of the Company

16, boulevard d'Avranches, L-1160 Luxembourg, Grand Duchy of Luxembourg

### Supervisory Authority

Commission de Surveillance du Secteur Financier  
Luxembourg, Grand Duchy of Luxembourg

### Promoter

HSBC Group

## Contact

### Management Company

HSBC Investment Funds (Luxembourg) S.A.  
16, boulevard d'Avranches, L-1160 Luxembourg, Grand Duchy of Luxembourg  
Tel: (+352) 48 88 96 21  
Fax: (+352) 48 88 96 31