

# Taking Advantage of Market Growth with Common Stock Market-Linked CDs



HSBC Common Stock Market-Linked CDs provide investors with the opportunity to participate in market growth while protecting principal when held to maturity. These unique investments can power your client's cash balances, allow them to take advantage of market growth, achieve financial goals, with the security of 100% principal protection. HSBC Common Stock Market-Linked CDs are extremely flexible, offering a variety of return profiles and features to meet your client's specific needs.

## Key Features



**Downside Protection** 100% principal protected if held to maturity, based on issuer creditworthiness



**Term** tends to be medium with the majority being 3 years



**CD Return** is linked to a single or basket of common stocks such as Meta, Amazon, Uber, Apple, etc.

## Unique Features



### Full Principal Protection

When these CDs are held to maturity, they offer 100% principal protection of the initial investment.



### Linked to Common Stocks

These CDs provide investors with the unique opportunity to participate in a single stock or basket of stocks while protecting their initial investment



### Can be Callable

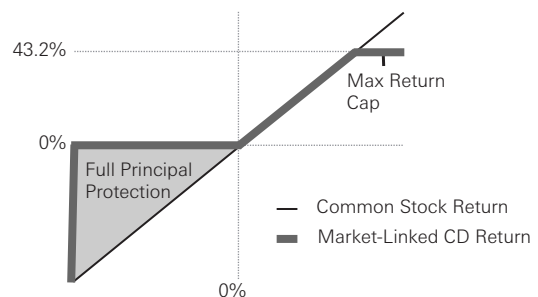
Based on the strategy, some Common Stock linked CDs offer a callable feature giving investors the potential for a shorter term and/or enhanced participation

## Common Stock Market-Linked CD Example

### Hypothetical Terms

<b>Underlier</b>	NVIDIA Common Stock
<b>Principal Protection</b>	100% when held to maturity
<b>Participation</b>	100%
<b>Maximum Return</b>	43.2%
<b>Term</b>	3 Years

### Hypothetical Payoff Graph



### Hypothetical Payoff Grid

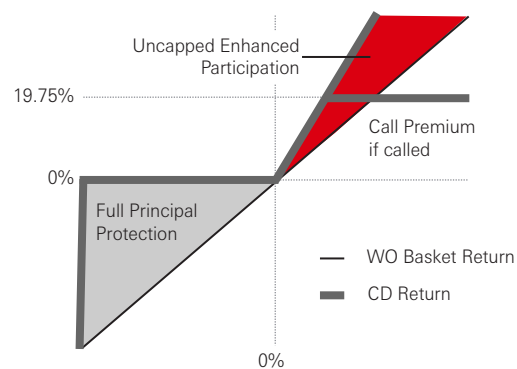
Stock Return	Participation in Reference Return	CD Return
55%	100% Participation to a cap	43.2%
30%	100% Participation to a cap	30%
-30%	100% Principal Protection	0%

# One-Time Autocallable Common Stock Market-Linked CD linked to a basket of Common Stocks

## Hypothetical Terms

<b>Underlying Basket</b>	AAPL, MSFT, AMZN
<b>Principal Protection</b>	100% when held to maturity
<b>Term</b>	5 Years (if not called)
<b>One-Time Callable</b>	2 Years
<b>Call Premium</b>	19.75%
<b>Call Level</b>	All at or above initial
<b>Participation if not called</b>	125%
<b>Maximum Return if not called</b>	Uncapped

## Hypothetical Payoff Graph



## One-Time Autocallable Payoff Example

Worst-of (WO) Underlier Return on Call Observation Date	Outcome
WO underlier at or above Call Threshold	CD is called, Call Premium is paid
WO is below the Call Threshold	CD is not called

## Hypothetical Payoff Example if CD not called

WO Return	Participation in WO Return	CD Return
45%	125% Participation Uncapped	56.25%
5%	125% Participation Uncapped	6.25%
-30%	Full Principal Protection	0%

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