



STOCK EXCHANGE			
Regulatory Information Circular			
Circular number:	2009-14	Contact:	Russ Davidson
Date:	February 2, 2009	Telephone:	(646) 805-1857

Subject: HSBC USA Inc. ELEMENTS

Information on the Notes

HSBC USA Inc. (the “Issuer”) has issued ELEMENTS exchange-traded notes (“ELEMENTS” or “Notes”) linked to the S&P Commodity Trends Indicator — Total Return Index (the “Index”). The ELEMENTS were priced at \$10 each and mature on June 16, 2023.

Holders of the Notes shall receive a cash payment on the maturity date that will be equal to the then outstanding principal amount of the Note times the Index Factor on the Final Valuation Date times the Fee Factor on the Final Valuation Date, as determined by the Calculation Agent referred to below.

The Index Factor will be calculated on the Final Valuation Date by the Calculation Agent and will be equal to the average of the closing levels of the Index for the five Trading Days immediately prior to and including the Final Valuation Date divided by the Initial Index Level. On any other Valuation Date the Index Factor will be calculated by the Calculation Agent and will be equal to the closing level of the Index on that day divided by the Initial Index Level.

The Initial Index Level is the closing level of the Index on the inception date (June 10, 2008).

The Fee Factor on any Valuation Date will be equal to one minus the aggregate investor fee, which is the product of (i) the Annual Investor Fee and (ii) the number of days elapsed from the inception date (June 10, 2008) to and including such Valuation Date divided by 365.

The Annual Investor Fee is 0.75%.

A Trading Day is any day on which (i) the level of the Index is calculated and published, (ii) trading is generally conducted on the New York Stock Exchange, NYSE Arca, the Nasdaq Stock Market and the American Stock Exchange and (iii) trading is generally conducted on the markets on which the futures contracts underlying the Index are traded, in each case as determined by the Calculation Agent in its sole discretion.

Prior to the Maturity Date, holders of the Notes may elect to offer all or a portion of the principal amount of the Note for repurchase by the Issuer on any Business Day during the term of the Note, beginning on June 17, 2008 and ending on May 25, 2023, in a principal amount of at least \$2,500,000. The Issuer will have the right to repurchase the Note in whole but not in part on or after June 16, 2011, if, on any Business Day, on or after June 16, 2011, the outstanding principal amount of the Note is \$5,000,000 or less. If the Note is repurchased (either at the Issuer's option or the holder's), on the corresponding Repurchase Date, the holder will receive a cash payment in an amount equal to the daily Repurchase Value, which is the principal amount of the Note so subject to repurchase times the Index Factor on the applicable Valuation Date times the Fee Factor on the applicable Valuation Date, as determined by the Calculation Agent.

A Repurchase Date is the third Business Day following a Valuation Date.

Business Days are a Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions in New York City generally are authorized or obligated by law, regulation or executive order to close.

Valuation Dates are each Trading Day from June 18, 2008 to June 12, 2023 inclusive, unless the Calculation Agent reasonably determines that a Market Disruption Event (as defined herein) occurs or is continuing on that day with respect to an Index Component. A Valuation Date with respect to a repurchase is the Business Day after notice of such repurchase is delivered to DTC. A Valuation Date may be postponed due to a Market Disruption Event with respect to an Index Component.

At any time, any of the commodity futures contracts included in the Index are considered Index Components.

The Calculation Agent is HSBC USA Inc. or one of its affiliates.

Please see the prospectus for the Notes for more details regarding the calculations and the mechanics of early repurchase of the Notes.

It is expected that the market value of the Notes will depend substantially on the value of the Index and may be affected by a number of other interrelated factors including, among other things: the general level of interest rates, the volatility of the Index, the time remaining to maturity, the dividend yield of the stocks comprising the Index, and the credit ratings of the Issuer.

Exchange Rules Applicable to Trading in the Shares

The Shares are considered equity securities, thus rendering trading in the Shares subject to the Exchange's existing rules governing the trading of equity securities.

Trading Hours

Trading in the shares on ISE is on a UTP basis and is subject to ISE equity trading rules. The shares will trade from 8:00 a.m. until 8:00 p.m. Eastern Time. Equity EAMs trading the shares during the Extended Market Sessions are exposed to the risk of the lack of the calculation or dissemination of underlying index value or intraday indicative value ("IIV"). For certain derivative securities products, an updated underlying index value or

IIV may not be calculated or publicly disseminated in the Extended Market hours. Since the underlying index value and IIV are not calculated or widely disseminated during Extended Market hours, an investor who is unable to calculate implied values for certain derivative securities products during Extended Market hours may be at a disadvantage to market professionals.

Trading Halts

ISE will halt trading in the Shares of a Trust in accordance with ISE Rule 2101(a)(2)(iii). The grounds for a halt under this Rule include a halt by the primary market because it stops trading the Shares and/or a halt because dissemination of the IIV or applicable currency spot price has ceased, or a halt for other regulatory reasons. In addition, ISE will stop trading the Shares of a Trust if the primary market de-lists the Shares.

Delivery of a Prospectus

Pursuant to federal securities laws, investors purchasing Shares must receive a prospectus prior to or concurrently with the confirmation of a transaction. Investors purchasing Shares directly from the Fund (by delivery of the Deposit Amount) must also receive a prospectus.

Prospectuses may be obtained through the Distributor or on the Fund's website. The Prospectus does not contain all of the information set forth in the registration statement (including the exhibits to the registration statement), parts of which have been omitted in accordance with the rules and regulations of the SEC. For further information about the Fund, please refer to the Trust's registration statement.

This Regulatory Information Circular is not a statutory Prospectus. Equity EAMs should consult the Trust's Registration Statement, SAI, Prospectus and the Fund's website for relevant information.

Appendix A

Ticker	Fund Name
LSC	HSBC USA Inc. ELEMENTS Linked to the S&P Commodity Trends Indicator — Total Return due June 16, 2023