

HSBC HOLDINGS PLC
Form 6-K
November 10, 2008

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

**Pursuant to Rule 13a - 16 or 15d - 16 of
the Securities Exchange Act of 1934**

For the month of November, 2008

HSBC Holdings plc

42nd Floor, 8 Canada Square, London E14 5HQ, England

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F).

Form 20-F Form 40-F

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934).

Yes..... No

(If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-.....).

CONFORMED

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q**

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2008

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES AND
EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-7436

HSBC USA Inc.

(Exact name of registrant as specified in its charter)

Maryland

(State of Incorporation)

13-2764867

(I.R.S. Employer Identification No.)

452 Fifth Avenue, New York, New York

(Address of principal executive offices)

10018

(Zip Code)

(716) 841-2424

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

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Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting
company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes No

At October 31, 2008, there were 708 shares of the registrant's Common Stock outstanding, all of which are owned by HSBC North America Inc.

HSBC USA Inc.
Form 10-Q

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HSBC USA Inc.**CONSOLIDATED STATEMENT OF (LOSS) INCOME (UNAUDITED)**

	Three months ended September 30,		Nine months ended September 30,	
	2008	2007	2008	2007
(in millions)				
Interest income:				
Loans	\$ 1,423	\$ 1,586	\$ 4,270	\$ 4,505
Securities	313	317	943	870
Trading assets	139	167	435	476
Short-term investments	100	241	323	719
Other	54	60	198	144
Total interest income	2,029	2,371	6,169	6,714
Interest expense:				
Deposits	575	993	1,956	2,841
Short-term borrowings	60	90	227	266
Long-term debt	225	365	766	1,087
Total interest expense	860	1,448	2,949	4,194
Net interest income	1,169	923	3,220	2,520
Provision for credit losses	658	402	1,762	871
Net interest income after provision for credit losses	511	521	1,458	1,649
Other revenues:				
Credit card fees	215	220	653	580
Other fees and commissions	189	203	529	542
Trust income	44	26	114	73
Trading (loss) revenue	(122)	28	(947)	477
Securities (loss) gain, net	(178)	59	(128)	96
HSBC affiliate income	33	46	119	136
Residential mortgage banking revenue	13	6	64	69
Gain on instruments at fair value and related derivatives	111	-	121	-
Other loss	(30)	(214)	(177)	(188)
Total other revenues	275	374	348	1,785
Operating expenses:				
Salaries and employee benefits	329	337	971	1,016
Support services from HSBC affiliates	300	290	891	858
Occupancy expense, net	72	63	201	181
Other expenses	273	201	665	557
Total operating expenses	974	891	2,728	2,612
(Loss) income before income tax expense	(188)	4	(922)	822
Income tax (benefit) expense	(52)	(17)	(334)	237

<i>Net (loss) income</i>	\$ (136)	\$ 21	\$ (588)	\$ 585
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The accompanying notes are an integral part of the consolidated financial statements.

HSBC USA Inc.
CONSOLIDATED BALANCE SHEET (UNAUDITED)

	September 30 , 2008	December 31, 2007
(in millions)		
Assets		
Cash and due from banks	\$ 5,237	\$ 3,567
Interest bearing deposits with banks	3,893	4,741
Federal funds sold and securities purchased under agreements to resell	15,605	13,677
Trading assets	34,838	37,036
Securities available for sale	20,225	19,962
Securities held to maturity (fair value of \$2,827 million and \$2,945 million at September 30 , 2008 and December 31, 2007, respectively)	2,841	2,891
Loans (includes \$1,257 million recorded under fair value option at September 30 , 2008)	91,660	95,826
Less - allowance for credit losses	2,059	1,414
Loans, net	89,601	94,412
Properties and equipment, net	568	568
Intangible assets	564	534
Goodwill	2,646	2,701
Other assets	10,565	8,284
Total assets	\$ 186,583	\$ 188,373
Liabilities		
Deposits in domestic offices:		
Noninterest bearing	\$17,301	\$ 13,831
Interest bearing (includes \$2,244 million recorded under fair value option at September 30, 2008)	67,854	68,237
Deposits in foreign offices:		
Noninterest bearing	1,347	1,030
Interest bearing	35,284	33,072
Total deposits	121,786	116,170
Trading liabilities	16,347	16,253
Short-term borrowings	8,784	11,832
Interest, taxes and other liabilities	6,400	4,613
Long-term debt (includes \$2,748 million recorded under fair value option at September 30 , 2008)	21,458	28,268
Total liabilities	174,775	177,136
Shareholders' equity		
Preferred stock	1,565	1,565
Common shareholder's equity:	-	-

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Common stock (\$5 par; 150,000,000 shares authorized; 708
and 706 shares

issued and outstanding at September 30, 2008 and
December 31, 2007, respectively)

	Additional paid-in capital	9,594	8,123
Retained earnings		1,366	1,901
Accumulated other comprehensive loss		(717)	(352)
	Total common shareholder's equity	10,243	9,672
<i>Total shareholders' equity</i>		11,808	